See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228001102

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 10-01-2010 and ending 09-30-2011

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
NORTHEAST GEORGIA MEDICAL CENTER INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 743 SPRING STREET

Room/suite

City or town, state or country, and ZIP + 4
GAINESVILLE, GA 305013899

D Employer identification number
58-1694098

E Telephone number
(770) 219-6646

G Gross receipts $ 636,216,444

F Name and address of principal officer
CAROL BURRELL
743 SPRING STREET
GAINESVILLE, GA 305013899

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW NGHS COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1986

M State of legal domicile GA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
THE MISSION OF NORTHEAST GEORGIA MEDICAL CENTER (NGMC) IS TO PROVIDE COMPREHENSIVE, (SEE SCHEDULE O) ACCESSIBLE QUALITY HEALTH CARE SERVICES AND IMPROVE THE HEALTH OF OUR COMMUNITY

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	9
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	**5**	0
6	Total number of volunteers (estimate if necessary)	**6**	606
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	2,079,238
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-208,682

Revenue

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	1,707,632	1,391,506
9	Program service revenue (Part VIII, line 2g)	588,122,976	599,822,094
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,083,820	34,129,338
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-4,031,803	403,901
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	589,882,625	635,746,839

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	436,350	305,820
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	226,496,393	237,914,457
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	305,857,512	319,879,748
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	532,790,255	558,100,025
19	Revenue less expenses Subtract line 18 from line 12	57,092,370	77,646,814

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	930,469,881	934,950,982
21	Total liabilities (Part X, line 26)	677,836,415	671,455,471
22	Net assets or fund balances Subtract line 21 from line 20	252,633,466	263,495,511

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

****** Signature of officer — 2012-08-15 Date

ANTHONY HERDENER VICE PRESIDENT/CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶ ☐	PTIN
SUSAN CLARK	SUSAN CLARK			

Firm's name ▶ PERSHING YOAKLEY & ASSOCIATES P C — Firm's EIN ▶

Firm's address ▶ ONE CHEROKEE MILLS 2220 SUTHERLAND
KNOXVILLE, TN 379192363 — Phone no ▶ (865) 673-0844

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III **Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III . . . . . ☐

1 Briefly describe the organization's mission

TO PROVIDE COMPREHENSIVE, ACCESSIBLE QUALITY HEALTH CARE SERVICES AND IMPROVE THE HEALTH OF OUR COMMUNITY

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 497,170,198 including grants of $ 305,820) (Revenue $ 599,628,883)

NORTHEAST GEORGIA MEDICAL CENTER, INC IS A 557 BED REGIONAL REFERRAL FACILITY PROVIDNG A COMPREHENSIVE RANGE OF ACUTE CARE AND SPECIALTY MEDICAL CARE NGMC SERVES THE CITY OF GAINESVILLE, GEORGIA, HALL COUNTY AND SURROUNDING COUNTIES **SEE SCHEDULE O FOR PROGRAM SERVICE ACCOMPLISHMENTS CONTINUATION**

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 497,170,198

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	**35**		No
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* ☐ **Yes** ☑ **No**			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V . . . . . .

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	286		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	0		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b		
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			14b		

Part VI **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI . . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	14		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	9		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . .		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Does the organization have members or stockholders?		6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . .		7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes	

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶ GA

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

LINDA D NICHOLSONCONTROLLER
743 SPRING STREET
GAINESVILLE,GA 30501
(770)219-6646

Part VII Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII . . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								12,620	6,555,266	1,498,598

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 0

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
MCKESSON INFORMATION SOLUTIONS PO BOX 98347 CHICAGO, IL 60693	IT SERVICES/CONSULTING	4,312,066
MILNER VOICE AND DATA 5125 PEACHTREE IND BLVD NORCROSS, GA 30092	TRANSCRIPTION SERVICES	2,651,764
ANESTHESIA ASSOCIATES OF GAINESVILLE PO BOX 1076 GAINESVILLE, GA 30503	ANESTHESIA SERVICES	2,613,996
GE MEDICAL SYSTEMS PO BOX 402076 ATLANTA, GA 30384	DIAGNOSTIC EQUIPMENT MAINTENANCE	2,372,682
LONGSTREET CLINIC PC PO DRAWER 658 GAINESVILLE, GA 30503	HOSPITALISTS/PHYSICIAN SERVICES	1,035,413

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 104

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns . .	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations . . .	1d	1,391,506			
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f . . . . . ▶		1,391,506			
Program Service Revenue		Business Code				
	2a NET PATIENT SVC REVENU	621400	589,158,849	589,158,849		
	b PHARMACY	446110	6,091,381			6,091,381
	c CAFETERIA REVENUE	722210	2,200,970			2,200,970
	d LAB REVENUE	621500	2,029,330		2,029,330	
	e DAY CARE CENTER	624410	259,985			259,985
	f All other program service revenue		81,579		49,908	31,671
	g **Total.** Add lines 2a–2f . . . . . ▶		599,822,094			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		10,723,934			10,723,934
	4 Income from investment of tax-exempt bond proceeds . . ▶					
	5 Royalties . . . . . ▶					
		(i) Real	(ii) Personal			
	6a Gross Rents	829,676				
	b Less rental expenses	31,814				
	c Rental income or (loss)	797,862				
	d Net rental income or (loss) . . . . . ▶		797,862	-5,191		803,053
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory	23,265,970	577,225			
	b Less cost or other basis and sales expenses		437,791			
	c Gain or (loss)	23,265,970	139,434			
	d Net gain or (loss) . . . . . ▶		23,405,404			23,405,404
Other Revenue	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a					
	b Less direct expenses . . . b					
	c Net income or (loss) from fundraising events . . ▶					
	9a Gross income from gaming activities See Part IV, line 19 . a					
	b Less direct expenses . . . . . b					
	c Net income or (loss) from gaming activities . . ▶					
	10a Gross sales of inventory, less returns and allowances . a					
	b Less cost of goods sold . . b					
	c Net income or (loss) from sales of inventory . . ▶					
	Miscellaneous Revenue	Business Code				
	11a PARTNERSHIP INCOME	621990	-188,020	-188,020		
	b LOSS ON DEBT EXTINGUIS	900099	-205,941			-205,941
	c					
	d All other revenue					
	e **Total.** Add lines 11a–11d . . . . . ▶		-393,961			
	12 **Total revenue.** See Instructions . . . ▶		635,746,839	588,965,638	2,079,238	43,310,457

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21	305,820	305,820		
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,292,988	1,129,296	163,692	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	187,067,557	163,384,804	23,682,753	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	10,651,383	9,302,918	1,348,465	
9 Other employee benefits	24,879,374	21,729,645	3,149,729	
10 Payroll taxes	14,023,155	12,247,824	1,775,331	
a Fees for services (non-employees) Management	17,456,909	15,246,864	2,210,045	
b Legal	695,509	607,458	88,051	
c Accounting				
d Lobbying				
e Professional fundraising services *See Part IV, line 17*				
f Investment management fees	965,719	843,459	122,260	
g Other	32,833,783	28,677,026	4,156,757	
12 Advertising and promotion	806,921	704,765	102,156	
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	8,418,330	7,352,569	1,065,761	
17 Travel	453,692	396,255	57,437	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	251,274	219,463	31,811	
20 Interest	30,408,797	26,559,043	3,849,754	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	41,527,070	36,269,743	5,257,327	
23 Insurance	3,119,296	2,724,393	394,903	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a UBI TAX	-127,282	-111,168	-16,114	
b SUPPLIES	78,742,913	68,774,060	9,968,853	
c BAD DEBT EXPENSE	56,527,810	56,527,810		
d MEDICAL SUPPLIES	19,988,150	19,988,150		
e RENTAL & MAINTENANCE	17,416,467	15,211,542	2,204,925	
f All other expenses	10,394,390	9,078,459	1,315,931	
25 **Total functional expenses.** Add lines 1 through 24f	558,100,025	497,170,198	60,929,827	0
26 **Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		-2,401,190	1	4,050,348
	2	Savings and temporary cash investments		19,922,754	2	73,907
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		66,494,291	4	70,408,840
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L			6	
	7	Notes and loans receivable, net		281,247	7	462,523
	8	Inventories for sale or use		2,154,612	8	3,094,904
	9	Prepaid expenses and deferred charges		3,577,601	9	3,451,573
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 784,528,666			
	b	Less accumulated depreciation	10b 369,356,334	429,979,137	10c	415,172,332
	11	Investments—publicly traded securities		405,064,920	11	437,207,812
	12	Investments—other securities See Part IV, line 11		34,817	12	34,817
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets		4,173,016	14	
	15	Other assets See Part IV, line 11		1,188,676	15	993,926
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		930,469,881	16	934,950,982
Liabilities	17	Accounts payable and accrued expenses		52,670,173	17	42,188,940
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		600,465,891	20	599,999,641
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties		190,450	23	227,024
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		24,509,901	25	29,039,866
	26	**Total liabilities.** Add lines 17 through 25		677,836,415	26	671,455,471
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		252,633,466	27	263,495,511
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		252,633,466	33	263,495,511
	34	Total liabilities and net assets/fund balances		930,469,881	34	934,950,982

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	635,746,839
2	Total expenses (must equal Part IX, column (A), line 25)	2	558,100,025
3	Revenue less expenses Subtract line 2 from line 1	3	77,646,814
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	252,633,466
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-66,784,769
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	263,495,511

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☑ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228001102

SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHEAST GEORGIA MEDICAL CENTER INC

Employer identification number
58-1694098

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☑ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

_____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public Support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (See instructions) **12**

13 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2009 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2010.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2009.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2010.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	**(a)** 2006	**(b)** 2007	**(c)** 2008	**(d)** 2009	**(e)** 2010	**(f)** Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	**(a)** 2006	**(b)** 2007	**(c)** 2008	**(d)** 2009	**(e)** 2010	**(f)** Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	**15**	
16	Public support percentage from 2009 Schedule A, Part III, line 15	**16**	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2010** (line 10c column (f) divided by line 13 column (f))	**17**	
18	Investment income percentage from **2009** Schedule A, Part III, line 17	**18**	

19a **33 1/3% support tests—2010.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ▶☐

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228001102

SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.**
▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes," to Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization	Employer identification number
NORTHEAST GEORGIA MEDICAL CENTER INC	58-1694098

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c) except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ $ _____

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ _____

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ☐ if the filing organization belongs to an affiliated group
B Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		5,354
j	Total lines 1c through 1i			5,354
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) non-deductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i Also, complete this part for any additional information

Identifier	Return Reference	Explanation
EXPLANATION OF OTHER LOBBYING ACTIVITIES	PART II-B, LINE 1I	NORTHEAST GEORGIA MEDICAL CENTER, INC PAYS MEMBERSHIP DUES TO AMERICAN ACADEMY OF SLEEP, AMERICAN COLLEGE OF HEALTHCARE, AMERICAN HEALTH INFORMATION MANAGEMENT ASSOCIATION, AMERICAN MEDICAL ASSOCIATION, ASSOCIATION FOR PROFESSIONALS INFECTION CONTROL, AMERICAN SOCIETY FOR HEALTHCARE HUMAN RESOURCES ADMINISTRATION, AMERICAN SOCIETY OF RADIOLOGIC TECHNOLOGISTS, COLLEGE OF HEALTHCARE INFORMATION MANAGEMENT EXECUTIVES, CLINICAL LABORATORY MANAGEMENT ASSOCIATION, GEORGIA ALLIANCE, GEORGIA HEALTHCARE ASSOCIATION, GREATER HALL CHAMBER OF COMMERCE, GEORGIA SOCIETY FOR HEALTH RISK MANAGEMENT, MEDICAL GROUP MANAGEMENT ASSOCIATION, NATIONAL HOSPICE AND PALLATIVE CARE ORGANIZATION, SOCIETY OF DIAGNOSTIC MEDICAL SONOGRAPHY, FOOTHILLS OF GA SOCIETY FOR HUMAN RESOURCES MANAGEMEMT CHAPTER, SOCIETY FOR HUMAN RESOURCES MANAGEMENT, SOCIETY FOR HUMAN RESOURCE, SOCIETY FOR HUMAN RESOURCES MANAGEMENT-ATLANTA AND SOCIETY OF THORACIC SURGEONS A PORTION OF THESE DUES ARE DESIGNATED FOR LOBBYING ACTIVITIES BY THESE ORGANIZATIONS

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228001102

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHEAST GEORGIA MEDICAL CENTER INC

Employer identification number
58-1694098

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		8,503,587		8,503,587
b Buildings		375,877,231	95,533,805	280,343,426
c Leasehold improvements		9,952,635	6,397,496	3,555,139
d Equipment		369,626,854	258,987,413	110,639,441
e Other		20,568,359	8,437,620	12,130,739
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				415,172,332

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
DUE TO THIRD PARTY PAYORS	9,086,619
CAPITALIZED LEASES	2,858,036
DEFERRED COMPENSATION	8,696,177
INTEREST RATE SWAP	8,307,528
DUE TO AFFILIATES	91,506
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	29,039,866

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	635,746,839
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	558,100,025
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	77,646,814
4	Net unrealized gains (losses) on investments	4	-35,059,496
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-31,725,273
9	Total adjustments (net) Add lines 4 - 8	9	-66,784,769
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	10,862,045

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	631,951,501
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	-3,030,316		
e	Add lines **2a** through **2d**			2e	-3,030,316
3	Subtract line **2e** from line **1**			3	634,981,817
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	765,022		
c	Add lines **4a** and **4b**			4c	765,022
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	635,746,839

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	555,920,441
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d	31,813		
e	Add lines **2a** through **2d**			2e	31,813
3	Subtract line **2e** from line **1**			3	555,888,628
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	2,211,397		
c	Add lines **4a** and **4b**			4c	2,211,397
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	558,100,025

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	NORTHEAST GEORGIA MEDICAL CENTER, INC IS CLASSIFIED AS AN ORGANIZATION EXEMPT FROM INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AS SUCH, NO PROVISION FOR INCOME TAXES HAS BEEN MADE IN THE ACCOMPANYING FINANCIAL STATEMENTS AT SEPTEMBER 30, 2011, MANAGEMENT DOES NOT BELIEVE NGMC HOLDS ANY UNCERTAIN TAX POSITIONS THAT WOULD REQUIRE FINANCIAL RECOGNITION OR DISCLOSURE UNDER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IT IS THE SYSTEM'S POLICY TO RECOGNIZE INTEREST AND/OR PENALTIES RELATED TO INCOME TAX MATTERS AS AN OPERATING EXPENSE WHERE APPLICABLE
PART XI, LINE 8 - OTHER ADJUSTMENTS		EQUITY TRANSFER TO THE MEDICAL CENTER FOUNDATION -1,065,045 INTERCOMPANY DEBT FORGIVENESS -26,675,133 PARTNERSHIP INCOME NOT ON BOOKS 187,920 CUMMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE -4,173,015
PART XII, LINE 2D - OTHER ADJUSTMENTS		CHANGE IN FV OF DERIVATIVE -1,784,638 RECLASS OF NON-OPERATING EXPENSES -1,245,678
PART XII, LINE 4B - OTHER ADJUSTMENTS		PARTNERSHIP INCOME NOT ON BOOKS -187,920 RENTAL EXPENSES -31,813 RECLASS INVESTMENT FEES 965,719 RECLASS CONTRIBUTION REVENUE 19,036
PART XIII, LINE 2D - OTHER ADJUSTMENTS		RENTAL EXPENSES 31,813
PART XIII, LINE 4B - OTHER ADJUSTMENTS		RECLASS INVESTMENT MGMT FEES 965,719 RECLASS NON-OPERATING EXPENSES 1,245,678

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228001102

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHEAST GEORGIA MEDICAL CENTER INC

Employer identification number
58-1694098

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a .	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☑ 150% ☐ 200% ☐ Other _____ %	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Does the organization prepare a community benefit report during the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)			26,538,672		26,538,672	5 290 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			72,308,020	69,837,697	2,470,323	0 490 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			1,056,519	1,160,385	-103,866	0 %
d **Total** Financial Assistance and Means-Tested Government Programs			99,903,211	70,998,082	28,905,129	5 780 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)	21	196,316	794,364	67,524	726,840	0 140 %
f Health professions education (from Worksheet 5)	8	4,151	1,270,064		1,270,064	0 250 %
g Subsidized health services (from Worksheet 6)			13,073,653	10,072,646	3,001,007	0 600 %
h Research (from Worksheet 7)	1	65	478,514	189,505	289,009	0 060 %
i Cash and in-kind contributions to community groups (from Worksheet 8)	24	12,737	1,757,230	3,950	1,753,280	0 350 %
j **Total** Other Benefits	54	213,269	17,373,825	10,333,625	7,040,200	1 400 %
k **Total.** Add lines 7d and 7j	54	213,269	117,277,036	81,331,707	35,945,329	7 180 %

Part II Community Building Activities during the tax year, and describe in Part VI how its community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support	8		17,924	2,200	15,724	0 %
4	Environmental improvements	1		900	200	700	0 %
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development	8	210	429,376	700	428,676	0 090 %
9	Other						
10	**Total**	17	210	448,200	3,100	445,100	0 090 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	15,094,980		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy	3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	149,128,643
6	Enter Medicare allowable costs of care relating to payments on line 5	6	148,154,706
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	973,937
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Does the organization have a written debt collection policy?		9a	Yes	
b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI		9b	Yes	

Part IV Management Companies and Joint Ventures

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	NORTHEAST GEORGIA MEDICAL CENTER 743 SPRING STREET GAINESVILLE,GA 30501	X	X					X		

Part V **Facility Information** *(continued)*

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? **19**

	Name and address	Type of Facility (Describe)
1	See Additional Data Table	
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the description required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		PART I, LINE 6A THE COMMUNITY BENEFIT REPORT IS PUBLISHED BY NORTHEAST GEORGIA HEALTH SYSTEM AND INCLUDES PROGRAMS FOR NORTHEAST GEORGIA MEDICAL CENTER AND ITS AFFILIATES THE REPORT IS AVAILABLE ON THE ORGANIZATION'S WEBSITE AS WELL AS IN ITS ANNUAL COMMUNICARE MAGAZINE

Identifier	ReturnReference	Explanation
		PART I, LINE 7 CHARITY CARE COSTS WERE CALCULATED APPLYING SEPARATE COST-TO-CHARGE RATIOS (CCR) TO THE SKILLED NURSING FACILITY (SNF) AND TO THE REMAINING PATIENT CHARGES FROM ALL OTHER HOSPITAL ACTIVITIES THE CCR FOR THE SNF WAS COMPUTED USING THE TOTAL OPERATING EXPENSES FOR THE SNF LESS BAD DEBT DIVIDED BY THE TOTAL GROSS CHARGES FOR THE SNF THE CCR FOR THE REMAINING PATIENT CHARGES WAS COMPUTED USING A CCR COMPUTED PURSUANT TO WORKSHEET 2 IN THE SCHEDULE H INSTRUCTIONS THE CCR FOR THE UNREIMBURSED MEDICAID AND OTHER MEANS TESTED GOVERNMENT PROGRAMS WAS COMPUTED USING A CCR COMPUTED PURSUANT TO WORKSHEET 2 IN THE SCHEDULE H INSTRUCTIONS

Identifier	ReturnReference	Explanation
		PART I, LINE 7G SUBSIDIZED HEALTH SERVICES WERE FOR INPATIENT REHAB AND LAURELWOOD (MENTAL HEALTH) NO COSTS WERE ATTRIBUTABLE TO PHYSICIAN CLINICS

Identifier	ReturnReference	Explanation
		PART I, L7 COL(F) $56,527,810 IN BAD DEBT EXPENSES WERE SUBTRACTED FROM FORM 990, PART IX, LINE 25 FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN

Identifier	ReturnReference	Explanation
		PART II IT IS WELL DOCUMENTED THAT MANY FACTORS COMBINE TO AFFECT THE HEALTH OF INDIVIDUALS AND COMMUNITIES WHETHER PEOPLE ARE HEALTHY OR NOT IS DETERMINED BY THEIR CIRCUMSTANCES AND THEIR ENVIRONMENT, ACCORDING TO THE WORLD HEALTH ORGANIZATION TO A LARGE EXTENT, FACTORS SUCH AS WHERE WE LIVE, THE STATE OF OUR ENVIRONMENT, GENETICS, OUR INCOME AND EDUCATION LEVEL, OUR RELATIONSHIPS WITH FRIENDS AND FAMILY ALL HAVE CONSIDERABLE IMPACTS ON HEALTH THE DETERMINANTS OF HEALTH INCLUDE THE SOCIAL AND ECONOMIC ENVIRONMENT, THE PHYSICAL ENVIRONMENT, AND A PERSON'S INDIVIDUAL CHARACTERISTICS AND BEHAVIORS ADDITIONAL FACTORS THAT RELATE INCLUDE EDUCATION, CULTURE, INCOME AND SOCIAL STATUS, EMPLOYMENT AND WORKING CONDITIONS, SOCIAL SUPPORT NETWORKS, GENETICS, HEALTH SERVICES, AND GENDER IF COMMUNITY MEMBERS HAVE ADEQUATE EDUCATION, EMPLOYMENT, INCOME, A SAFE ENVIRONMENT AND SUPPORTIVE SOCIAL NETWORKS, THEY WILL HAVE THE CAPACITY TO MAKE HEALTHY BEHAVIOR CHOICES AND BE MORE LIKELY TO HAVE ACCESS TO HEALTH SERVICES THEREFORE, NGMC AS ORGANIZATION MUST CONSIDER THE SOCIAL DETERMINANTS OF HEALTH STATUS AS PART OF PREVENTATIVE CARE A SNAPSHOT/HIGHLIGHTS OF SOME COMMUNITY BUILDING ACTIVITIES INCLUDE NGMC'S SUPPORT OF FOOTHILLS AREA HEALTH EDUCATION NETWORK NGMC HAS A UNIQUE PARTNERSHIP WITH FOOTHILLS AREA HEALTH EDUCATION CENTER (AHEC) THE MISSION FOR AHEC IS TO INCREASE THE SUPPLY AND DISTRIBUTION OF HEALTHCARE PROVIDERS, ESPECIALLY IN MEDICALLY UNDERSERVED AREAS THROUGH JOINT EFFORTS, COMMUNITIES EXPERIENCE IMPROVED SUPPLY, DISTRIBUTION, AND QUALITY OF HEALTHCARE PROFESSIONALS FOOTHILLS AHEC SERVES 31 COUNTIES IN THE NORTHEAST GEORGIA AREA IN ADDITION, NGMC PROVIDES JOB SHADOWING OPPORTUNITIES, SUPPORT OF YOUTH APPRENTICESHIP PROGRAMS, AND COMMUNITY BASED VOCATIONAL INSTRUCTION TO HELP BUILD A WELL PREPARED HEALTHCARE WORK FORCE THAT WILL BENEFIT ALL RESIDENTS NGMC'S SUPPORT OF THE SUMMER SCHOLARS PROGRAM AT GAINESVILLE COLLEGE NGMC IS A SPONSOR OF THE SUMMER SCHOLARS PROGRAM AT GAINESVILLE COLLEGE THIS IS SUMMER PROGRAM IS HELD ANNUALLY FOR AT-RISK MIDDLE AND HIGH SCHOOL STUDENTS TO PROVIDE EDUCATION , PROMOTE STAYING IN SCHOOL, TO PROMOTE INTEREST IN LANGUAGE ARTS AND MATH, TO PROVIDE EXPOSURE TO COLLEGE, AND TO IMPROVE SELF-ESTEEM AND SELF DISCIPLINE SPONSORSHIP OF WOMENSOURCENGMC SUPPORTS WOMENSOURCE, A NON-PROFIT ORGANIZATION DESIGNED TO HELP WOMEN SUCCEED BOTH PROFESSIONALLY AND PERSONALLY WOMENSOURCE PROVIDES, AMONG OTHER PROGRAMS, A FINANCIAL LEARNING SEMINAR FOR WOMEN WHO MAY BE STRUGGLING IN THIS AREA

Identifier	ReturnReference	Explanation
		PART III, LINE 4 THE COST OF BAD DEBTS REPORTED ON LINE 2 WERE ARRIVED AT BY APPLYING SEPARATE COST-TO-CHARGE RATIOS (CCR) TO THE SKILLED NURSING FACILITY (SNF) AND TO THE REMAINING PATIENT CHARGES FROM ALL OTHER HOSPITAL ACTIVITIES THE CCR FOR THE SNF WAS COMPUTED USING THE TOTAL OPERATING EXPENSES FOR THE SNF LESS BAD DEBT DIVIDED BY THE TOTAL GROSS CHARGES FOR THE SNF THE CCR FOR THE REMAINING PATIENT CHARGES WAS COMPUTED USING A CCR COMPUTED PURSUANT TO WORKSHEET 2 IN THE SCHEDULE H INSTRUCTIONS THE ORGANIZATION'S FINANCIAL STATEMENTS DO NOT CONTAIN A FOOTNOTE REGARDING BAD DEBTS

Identifier	ReturnReference	Explanation
		PART III, LINE 8 THE MEDICARE COSTS SHOWN ON LINE 6 WERE COMPUTED USING THE COST TO CHARGE RATIO REFLECTED IN THE ORGANIZATION'S MEDICARE COST REPORT

Identifier	ReturnReference	Explanation
		PART III, LINE 9B THE CHARITY CARE AND PAYMENT FOR SERVICES POLICIES DESCRIBES HOW UNINSURED PATIENTS CAN RECEIVE FINANCIAL ASSISTANCE THE POLICY DESCRIBES THE AVAILABILITY OF THE FINANCIAL ASSISTANCE PROGRAM AND INDICATED THAT AN APPLICATION FOR FINANCIAL ASSISTANCE IS PART OF THE PROCESS IN ORDER TO ASSURE THE FUNDS FOR UNCOMPENSATED CARE ARE NOT ABUSED AND WILL BE AVAILABLE FOR THOSE IN NEED WITHIN THE HOSPITAL'S SERVICE AREA, NORTHEAST GEORGIA MEDICAL CENTER WILL MAKE REASONABLE ATTEMPTS TO ASSIST ELIGIBLE CANDIDATES TO BECOME COVERED UNDER ANY AVAILABLE ASSISTANCE PROGRAMS IN THE COMMUNITY ONCE DETERMINATION OF ELIGIBILITY FOR FINANCIAL ASSISTANCE IS MADE (BY RECEIPT AND APPROVAL OF COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE), THE ORGANIZATION DOES NOT PURSUE COLLECTION OF AMOUNTS OUTSTANDING

Identifier	ReturnReference	Explanation
		PART V, SECTION A NORTHEAST GEORGIA MEDICAL CENTER ALSO OFFERS IN HOME HOSPICE CARE

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 ON A CONTINUOUS BASIS, NGMC SEEKS A VARIETY DATA SOURCES AND RELIABLE INDICATORS TO HELP IDENTIFY AND ELIMINATE HEALTH INEQUITIES IN THE COMMUNITIES IT SERVES A LISTING OF THE PRIMARY SOURCES AND RESOURCES ARE LISTED BELOW - SINCE 1997, NGMC HAS CONDUCTED A COMMUNITY ASSESSMENT EVERY 3 - 5 YEARS THROUGH A COMMUNITY PARTNERSHIP CALLED HEALTHLY HALL THE MOST RECENT ASSESSMENT WAS CONDUCTED IN 2007, AND RESULTS WERE SHARED WIDELY VIA OUR WEBSITE, WWW HEALTHYHALL COM THE ASSESSMENT INCLUDED FOCUS GROUPS, A TELEPHONE SURVEY AND A REVIEW OF SECONDARY RESEARCH - A PRESENTATION WAS GIVEN AT THE ASSOCIATION FOR COMMUNITY HEALTH IMPROVEMENT'S (ACHI) NATIONAL CONFERENCE IN LOS ANGELES, CA, IN MARCH 2009 BY NGMC'S MANAGER OF COMMUNITY HEALTH IMPROVEMENT AND BILL STILES OF STILES HEALTHCARE STRATEGY THE TITLE OF PRESENTATION "HEALTHY HALL ONE COMMUNITY'S GUIDE TO CONDUCTING SUCCESSFUL COMMUNITY ASSESSMENTS THAT LEAD TO POWERFUL OUTCOMES " (THE ASSOCIATION FOR COMMUNITY HEALTH IMPROVEMENT (ACHI) IS A PUBLIC HEALTH ORGANIZATION FOUNDED IN 2002 IT IS A PROGRAM OF THE HEALTH RESEARCH AND EDUCATIONAL TRUST AND AN AFFILIATE OF THE AMERICAN HOSPITAL ASSOCIATION) - NGMC ALSO PARTNERED WITH THE HALL COUNTY FAMILY CONNECTION TO PRODUCE THE HALL LIFE REPORT IN 2007, AND THE WEB VERSION IN 2010 THE PURPOSE OF THIS "PUBLIC STATUS REPORT ON CHILDREN AND FAMILIES IN HALL COUNTY," IS TO PROVIDE POLICY STAKEHOLDERS, PUBLIC AGENCY PROGRAM PERSONNEL, PRIVATE PROVIDERS AND COMMUNITY MEMBERS WITH UPDATED INDICATOR DATA TO INFORM CURRENT POLICY DISCUSSIONS AND DECISION-MAKING THE HALL LIFE REPORT IDENTIFIES THE STATUS OF LEADING INDICATORS FOR EXCELLENCE THE FIVE TOPIC AREAS USED IN THIS REPORT ARE CURRENTLY THE SAME AS THOSE USED BY THE FAMILY CONNECTION PARTNERSHIP AT THE STATE LEVEL AS THEY PRODUCE AND DISSEMINATE THE ANNUAL KIDS COUNT DATA FOR THE STATE OF GEORGIA THEY ARE HEALTHY CHILDREN, CHILDREN READY FOR SCHOOL, CHILDREN SUCCEEDING IN SCHOOL, STABLE AND SELF SUFFICIENT FAMILIES, AND STRONG COMMUNITIES THIS REPORT CAN BE FOUND AT WWW HCFCN ORG - ADDITIONALLY, NGMC HAS PARTNERED WITH OTHER HEALTHCARE PROVIDERS IN THE COMMUNITY TO FORM THE HEALTHCARE INITIATIVE CONSORTIUM THIS GROUP IS WORKING WITH A LOCAL UNIVERSITY TO DEVELOP AN ONGOING DATABASE OF FIVE DATA ELEMENTS THAT WILL GIVE THE COMMUNITY UP-TO-DATE INFORMATION ON THE HEALTH ISSUES AFFECTING ITS RESIDENTS THE FIVE DATA ELEMENTS BEING PLANNED TO COLLECT ARE BMI (HEIGHT/WEIGHT), A1C, BLOOD PRESSURE, CHOLESTEROL, LDL, AND MICRO ALBUMEN THIS WILL GIVE US INFORMATION RELATED TO THE FOLLOWING HEALTH ISSUES OBESITY, DIABETES, CARDIOVASCULAR DISEASE AND HYPERTENSION - LASTLY, COUNTY BY COUNTY DATA HAS BEEN MADE AVAILABLE THROUGH THE "PARTNER UP! FOR PUBLIC HEALTH CAMPAIGN " THIS IS A STATE WIDE ADVOCACY CAMPAIGN FUNDED BY THE HEALTHCARE GEORGIA FOUNDATION DESIGNED TO ADVANCE PUBLIC HEALTH IN GEORGIA MORE INFORMATION AND THE DATA BY COUNTY CAN BE FOUND AT WWW TOGETHERWECANDOBETTER COM THE HALL COUNTY HEALTH DEPARTMENT ALSO SHARES ITS HEALTH RISK SNAPSHOTS FOR COUNTIES IN THE SERVICE AREA, WHICH FOCUSES ON POPULATION TRENDS, YOUTH RISK, INFANT RISK, GENERAL RISK, STUDENT SUBSTANCE ABUSE, TOP CAUSES OF DEATH AND WIC NUTRITION PROGRAM INFORMATION

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 NORTHEAST GEORGIA MEDICAL CENTER POSTS NOTICES AT ALL REGISTRATION AREAS TO INFORM PATIENTS AND FAMILIES OF THE AVAILABILITY OF FINANCIAL ASSISTANCE ALL UNINSURED PATIENTS ADMITTED TO THE HOSPITAL ARE CONTACTED BY THE FINANCIAL ASSISTANCE DEPARTMENT AND SCREENED FOR ELIGIBILITY FOR MEDICAID, INDIGENT CARE, AND OTHER ASSISTANCE AS APPROPRIATE THE CHARITY/INDIGENT POLICY AND INFORMATION FOR APPLICATION FOR THESE FUNDS IS PRINTED IN THE FINANCIAL SECTION OF THE PATIENT HANDBOOK THE SAME MESSAGE IS PRINTED ON ALL PATIENT STATEMENTS AND IS POSTED ON THE ORGANIZATION'S WEBSITE AS WELL

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 LOCATED IN THE NORTHEASTERN SECTION OF THE STATE IN HALL COUNTY, NORTHEAST GEORGIA MEDICAL CENTER (NGMC) IS A 557-BED NOT-FOR-PROFIT REGIONAL REFERRAL FACILITY THAT PROVIDES A COMPREHENSIVE RANGE OF ACUTE CARE AND SPECIALTY SERVICES THROUGH ITS ROLE AS A REGIONAL SAFETY NET HOSPITAL, NGMC SERVES THE AREA'S LOW-INCOME, UNINSURED, UNDERINSURED AND OTHER VULNERABLE POPULATIONS APPROXIMATELY HALF OF NGMC'S PATIENTS COME FROM OUTSIDE OF HALL COUNTY THE HEALTH SYSTEM'S SERVICE AREA EXPERIENCED AN AVERAGE ANNUAL POPULATION GROWTH OF 4 3% BETWEEN 1990 AND 2000, WHILE THE STATE OF GEORGIA POPULATION'S ANNUAL GROWTH RATE AVERAGED APPROXIMATELY ONE-HALF THE HEALTH SYSTEM'S SERVICE AREA RATE, AVERAGING 2 4% SURVEYS BY GEORGIA DEPARTMENT OF COMMUNITY HEALTH AND CLARITAS, INC SHOW THAT THE SERVICE AREA'S TOTAL POPULATION IS PROJECTED TO CONTINUE TO INCREASE AT A SIGNIFICANTLY HIGHER RATE (I E ALMOST DOUBLE) THAN THAT OF THE STATE OF GEORGIA AS A WHOLE THIS SIGNIFICANT POPULATION GROWTH IN THE SERVICE AREA WILL CONTINUE TO DRIVE INCREASES IN DEMAND FOR HEALTH CARE SERVICES UNEMPLOYMENT DATA PROVIDED BY U S DEPT OF LABOR, BUREAU OF LABOR STATISTICS & DEPARTMENT OF LABOR AND STATE OF GEORGIA ILLUSTRATES THAT THE REGION'S ECONOMY IS MORE RESILIENT THAN THAT OF THE STATE OF GEORGIA OR THE UNITED STATES AS A WHOLE DURING DOWNTURNS IN 2013, NORTHEAST GEORGIA MEDICAL CENTER PLANS TO BREAK GROUND ON A NEW 100-BED INPATIENT HOSPITAL AT NGMC'S RIVER PLACE CAMPUS IN THE SOUTHEASTERN CORNER OF HALL COUNTY THE PROPERTY COMPRISES 119 ACRES AND CURRENTLY CONTAINS ONE MEDICAL OFFICE BUILDING HOUSING MEDICAL-PRACTICE AND OTHER MEDICAL-RELATED OFFICES AT LEAST TWO MORE MEDICAL OFFICE BUILDINGS ARE PLANNED FOR THE RIVER PLACE CAMPUS NGMC'S NEW HOSPITAL IS THE FIRST INCREMENTAL HOSPITAL (I E , NOT A REPLACEMENT OR CONSOLIDATION OF EXISTING HOSPITAL(S)) APPROVED IN GEORGIA IN MORE THAN 20 YEARS THE LAST DECADE OR MORE OF POPULATION GROWTH IN THIS AREA OF THE STATE HAS RESULTED IN HIGH, UNMET DEMAND FOR INPATIENT HOSPITAL BEDS ACCORDING TO THE STATE'S OWN CON "NEED" CALCULATIONS)IN LATE 2011, NGMC AND THE GREATER HALL CHAMBER OF COMMERCE ENGAGED GEORGIA TECH'S ENTERPRISE INNOVATION INSTITUTE TO EXAMINE THE POTENTIAL FISCAL AND ECONOMIC IMPACTS OF THE NEW HOSPITAL OVERALL, THE FISCAL AND ECONOMIC IMPACTS OF THE HOSPITAL AND MEDICAL OFFICE COMPLEX ARE VERY ADVANTAGEOUS TO THE COUNTY GOVERNMENT AND TO THE COUNTY SCHOOL DISTRICT SOME OF THE STUDY'S RESULTS ARE AS FOLLOWS IMPACT THE FISCAL IMPACT OF THE HOSPITAL ON HALL COUNTY'S GOVERNMENT IS MEASURED BY THE 20-YEAR NPV (NET PRESENT VALUE), WHICH COMES TO $3,770,955 IMPACT THE FISCAL IMPACT OF THE HOSPITAL ON HALL COUNTY'S SCHOOL SYSTEM COMES TO A 20-YEAR NPV OF $4,973,998 IMPACT THE FISCAL IMPACT OF THE MEDICAL OFFICE COMPLEX OF PROVIDERS AND NON-PROVIDERS ON HALL COUNTY'S GOVERNMENT COMES TO A 20-YEAR NPV OF $4,664,663 IMPACT THE FISCAL IMPACT OF THE MEDICAL OFFICE COMPLEX OF PROVIDERS AND NON-PROVIDERS ON HALL COUNTY'S SCHOOL SYSTEM COMES TO A 20-YEAR NPV OF $7,674,804 THE HEALTH SYSTEM ANTICIPATES INVESTING CLOSE TO $200 MILLION ON THE NEW HOSPITAL CAMPUS OVER THE NEXT 5 YEARS TO MEET THE WELL-ESTABLISHED DEMAND IN THAT COMMUNITY FOR HEALTHCARE AND INPATIENT HOSPITAL SERVICES

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 NORTHEAST GEORGIA MEDICAL CENTER'S BOARD OF DIRECTORS IS COMPRISED OF 15 MEMBERS AND INCLUDES REPRESENTATIVES FROM THE MEDICAL STAFF AND THE COMMUNITIES SERVED BY NORTHEAST GEORGIA MEDICAL CENTER BOARD MEMBERS PROVIDE LEADERSHIP THAT SUPPORTS THE ORGANIZATION'S MISSION TO IMPROVE THE HEALTH OF THE COMMUNITY BOARD MEMBERS MAY NOT CONTRACT WITH THE HOSPITAL OR BE EMPLOYED BY THE HOSPITAL, THEY SERVE ON A VOLUNTARY BASIS AND RECEIVE NO COMPENSATION FOR THEIR SERVICE AS BOARD MEMBERS ALL BOARD MEMBERS SIGN A CONFLICT OF INTEREST DISCLOSURE STATEMENT TO ENSURE THAT THEY DO NOT PARTICIPATE IN ANY BUSINESS DECISIONS FOR THE MEDICAL CENTER FROM WHICH THEY WOULD PERSONALLY BENEFIT ALL BOARD MEMBERS SIGN A CONFLICT OF INTEREST DISCLOSURE STATEMENT TO PROTECT THE INTERESTS OF NORTHEAST GEORGIA HEALTH SYSTEM AND ITS SUBSIDIARIES NGHS' CONFLICT OF INTEREST (COI) POLICY AND PRACTICE ARE CONSISTENT WITH STANDARDS SUPPORTING ITS TAX EXEMPT STATUS AND RELATED IRS GUIDELINES NORTHEAST GEORGIA MEDICAL CENTER EXTENDS OPEN MEDICAL STAFF PRIVILEGES TO QUALIFIED PHYSICIANS FOR MOST SERVICES, WITH THE EXCEPTION OF SOME EXCLUSIVE CONTRACT SERVICES SUCH AS PATHOLOGY, RADIOLOGY AND ANESTHESIOLOGY ALL PHYSICIANS UNDERGO AN EXTENSIVE CREDENTIALING PROCESS PRIOR TO BEING GRANTED MEDICAL STAFF PRIVILEGES THE MEDICAL CENTER CONDUCTS PHYSICIAN MANPOWER STUDIES TO DETERMINE THE NUMBER OF PHYSICIANS NEEDED BY SPECIALTY TO MEET COMMUNITY NEED INFORMATION FROM THESE STUDIES IS USED TO HELP GUIDE DECISIONS FOR PHYSICIAN RECRUITMENT ALL REVENUES IN EXCESS OF EXPENSES ARE REINVESTED INTO HEALTHCARE SERVICES FOR THE COMMUNITY AND NO PROFITS ACCRUE TO INDIVIDUAL INVESTORS THE MEDICAL CENTER'S CHARITY CARE POLICY HELPS ENSURE ACCESS TO HOSPITAL SERVICES TO LOW INCOME PATIENTS I E PATIENTS WITH A FAMILY INCOME OF LESS THAN OR 150% OF THE FEDERAL POVERTY GUIDELINES QUALIFY FOR A 100% CHARITY ADJUSTMENT, WHICH MEANS THAT THEY SERVICES ARE FREE NORTHEAST GEORGIA MEDICAL CENTER ALSO OPERATES AN EMERGENCY ROOM 24/7 WHICH PROVIDES SERVICES WITHOUT REGARD TO A PATIENT'S ABILITY TO PAY

Identifier	ReturnReference	Explanation
		PART VI, LINE 7 NORTHEAST GEORGIA MEDICAL CENTER (NGMC)IS AN AFFILIATE OF NORTHEAST GEORGIA HEALTH SYSTEM OTHER AFFILIATES INCLUDE NORTHEAST GEORGIA PHYSICIANS GROUP, THE MEDICAL CENTER FOUNDATION, NORTHEAST GEORGIA HEALTH PARTNERS, AND RIVER PLACE MEDICAL OFFICE PLAZA I THE MISSION OF NORTHEAST GEORGIA HEALTH SYSTEM AND NORTHEAST GEORGIA MEDICAL CENTER IS "TO IMPROVE THE HEALTH OF THE COMMUNITY IN ALL WE DO " AS A NOT-FOR-PROFIT HOSPITAL, NGMC TREATS PATIENTS REGARDLESS OF THEIR ABILITY TO PAY AND IS ACCOUNTABLE TO THE HOSPITAL AUTHORITY OF HALL COUNTY AND THE CITY OF GAINESVILLE FOR THE PROVISION OF CHARITABLE SERVICES TO THE COMMUNITY NORTHEAST GEORGIA MEDICAL CENTER PROVIDES ACUTE AND SPECIALTY INPATIENT AND OUTPATIENT SERVICES FOR A 13-COUNTY REGIONAL COMMUNITY AND RECEIVES NO LOCAL TAX SUPPORT FROM ANY OF THOSE COUNTIES FOR OPERATIONS OR INDIGENT CARE THE MEDICAL CENTER FOUNDATION HELPS SUPPORT THE MISSION OF NORTHEAST GEORGIA HEALTH SYSTEM THROUGH FUNDRAISING INITIATIVES THAT IMPROVE SERVICES OFFERED AT NGMC, AS WELL HEALTH-FOCUSED SERVICES IN THE COMMUNITY,NORTHEAST GEORGIA HEALTH PARTNERS WORKS TO BUILD COLLABORATIVE RELATIONSHIPS BETWEEN HOSPITALS, PHYSICIANS AND OTHER HEALTHCARE PROVIDERS, EMPLOYERS AND THE EMPLOYEES THEY REPRESENT THROUGH INSURANCE PRODUCTS THAT HELP SUPPORT PATIENT ACCESS TO HEALTHCARE SERVICES THROUGHOUT THE REGION,RIVER PLACE MEDICAL OFFICE PLAZA 1 IS A MEDICAL OFFICE BUILDING THAT IS HOME TO AN URGENT CARE CENTER, IMAGING CENTER, OUTPATIENT REHABILITATION CENTER, FULL SERVICE LAB AND MANY PRIVATE PHYSICIAN PRACTICES REPRESENTING MORE THAN 20 MEDICAL SPECIALTIES, IMPROVING ACCESS TO CARE TO IN THE SOUTHERN REGION SERVED BY NORTHEAST GEORGIA HEALTH SYSTEM,AND NORTHEAST GEORGIA PHYSICIANS GROUP IS A MULTI-SPECIALTY GROUP WITH MORE THAN 125 PHYSICIANS, PHYSICIAN ASSISTANTS, NURSE PRACTITIONERS AND OTHER CLINICAL STAFF PROVIDING HEALTHCARE SERVICES AT 30 LOCATIONS THROUGHOUT NORTHEAST GEORGIA, WHICH FURTHER IMPROVES THE 13-COUNTY REGIONAL COMMUNITY'S ACCESS TO CARE

Identifier	ReturnReference	Explanation
REPORTS FILED WITH STATES	PART VI, LINE 7	GA

Additional Data

Software ID:
Software Version:
EIN: 58-1694098
Name: NORTHEAST GEORGIA MEDICAL CENTER INC

Form 990 Schedule H, Part V Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility (list in order of size, measured by total revenue per facility, from largest to smallest) How many non-hospital facilities did the organization operate during the tax year? **19** Name and address	Type of Facility (Describe)
IMAGING CENTER - GAINESVILLE 1315 JESSE JEWELL PKWY GAINESVILLE,GA 30501	IMAGING / RADIOLOGY CENTER
LAURELWOOD 200 WISTERIA DRIVE GAINESVILLE,GA 30501	MENTAL HEALTH SERVICES
TOCCOA CANCER CENTER 1656 FALLS ROAD TOCCOA,GA 30577	CANCER SERVICES
IMAGING CENTER - BRASELTON 5875 THOMPSON MILL ROAD HOSCHTON,GA 30548	IMAGING / RADIOLOGY CENTER
NEW HORIZONS NORTH 600 BEVERLY ROAD NE GAINESVILLE,GA 30501	LONG TERM CARE
REHABILITATION INSTITUTE 597 SOUTH ENOTA DRIVE NE GAINESVILLE,GA 30501	REHABILITATION SERVICES
NEW HORIZONS WEST 1010 DAWSONVILLE HWY NW GAINESVILLE,GA 30501	LONG TERM CARE
SLEEP LAB 535 JESSE JEWELL PKWY GAINESVILLE,GA 30501	SLEEP DISORDER CENTER
WOUND OSTOMY CONTINENCE 675 WHITE SULPHUR ROAD GAINESVILLE,GA 30501	WOUND HEALING CENTER
REHAB - BRASELTON 5875 THOMPSON MILL ROAD HOSCHTON,GA 30548	REHABILITATION SERVICES
REHAB - OAKWOOD 3931 MUNDY MILL ROAD SUITE B OAKWOOD,GA 30566	REHABILITATION SERVICES
REHAB - DAWSONVILLE 5959 HIGHWAY 53EHIGHTOWER PLACE ST 200 DAWSONVILLE,GA 30534	REHABILITATION SERVICES
REHAB - CLEVELAND 640-A HELEN HWY CLEVELAND,GA 30528	REHABILITATION SERVICES
REHAB - BUFORD 4889 GOLDEN PKWY SUITE 150 BUFORD,GA 30518	REHABILITATION SERVICES
SLEEP LAB-BRASELTON SATELLITE 5737 THOMPSON MILL ROAD HOSCHTON,GA 30548	SLEEP DISORDER CENTER
REHAB - DAHLONEGA 95 MORRISON MOORE PKWY DAHLONEGA,GA 30533	REHABILITATION SERVICES
DIABETES ED 675 WHITE SULPHUR ROAD GAINESVILLE,GA 30501	DIABETES SERVICES
ESSENTIALLY FOR WOMEN - LACTATION 825 JESSE JEWELL PKWY GAINESVILLE,GA 30501	LACTATION
BARIATRIC SERVICES 675 WHITE SULPHUR ROAD GAINESVILLE,GA 30501	BARIATRIC WEIGHT LOSS SERVICES

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228001102

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHEAST GEORGIA MEDICAL CENTER INC

Employer identification number
58-1694098

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed. . . . ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) AMERICAN CANCER SOCIETYPO BOX 102454 ATLANTA,GA 30368	13-1788491	501(C)(3)	9,257				RELAY FOR LIFE SPONSOR
(2) AMERICAN HEART ASSOCIATIONPO BOX 4002900 DES MOINES,IA 50340	13-5613797	501(C)(3)	18,000				HEARTBALL AND HEART WALK SPONSOR
(3) UNITED WAY OF HALL COUNTYPO BOX 2656 GAINESVILLE,GA 30503	58-6011393	501(C)(3)	5,500				COMMUNITY BENEFIT
(4) INTERACTIVE NEIGHBORHOOD999 CHESTNUT STREET 11 GAINESVILLE,GA 30501	75-3077646	501(C)(3)	5,600				NGMC ROOM SPONSOR
(5) NORTHEAST GA COUNCIL-BSAPO BOX 399 JEFFERSON,GA 30549	58-0566207	501(C)(3)	5,000				BOYSCOUTS 2011 CAMPAIGN- TABLE SPONSOR
(6) GOOD NEWS CLINIC 810 PINE STREET GAINESVILLE,GA 30501	58-2058853	501(C)(3)	262,463				DONATIONS

2 Enter total number of section 501(c)(3) and government organizations . . . ▶ 6

3 Enter total number of other organizations . . . ▶

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 THE MAJORITY OF GRANTS ARE TO 501(C)(3) ORGANIZATIONS BOARD APPROVAL IS OBTAINED THROUGH THE BUDGETING PROCESS

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228001102

Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHEAST GEORGIA MEDICAL CENTER INC

Employer identification number
58-1694098

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	**4a**	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information

Identifier	Return Reference	Explanation
	PART I, LINES 4A-B	PART I, LINES 4A-B LINE 4A SEVERANCE PAYMENTS JAMES GARDNER, JR WAS EMPLOYED BY NORTHEAST GEORGIA HEALTH SYSTEM FROM MARCH 2004 UNTIL MARCH 2011 MR GARDNER WAS HIRED TO SERVE AS PRESIDENT AND CEO OF THE SYSTEM HE WAS PAID SEVERANCE OF $115,684 BASED ON THE TERMS OF HIS EMPLOYMENT CONTRACT LINE 4B EMPLOYER CONTRIBUTION TO 457(F) EXECUTIVE RETIREMENT BENEFIT PLAN JAMES GARDNER $435,808 ANTHONY HERDENER $75,649 TRACY VARDEMAN $23,705 CAROL BURRELL $167,565 NANCY J MARTIN $24,159 JOHN A WILLIAMSON $23,512 DANE HENRY $21,168 ALLANA CUMMINGS $17,544 SANDRA JOHNSON $15,241 SAMUEL JOHNSON $13,390 EMPLOYER PAYMENT FROM 457(F) PLAN (INCLUDING VESTED EARNINGS ON PREVIOUSLY REPORTED COMPENSATION) JOHN A WILLIAMSON $23,905 NANCY MARTIN $69,585 DANE HENRY $19,622 TRACY VARDEMAN $21,361

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 58-1694098
Name: NORTHEAST GEORGIA MEDICAL CENTER INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
JAY HORTENSTINE	(I)	0	0	0	0	0	0	0
	(II)	417,462	0	19,632	8,575	20,065	465,734	0
JOHN A WILLIAMSON	(I)	0	0	0	0	0	0	0
	(II)	190,616	74,767	17,479	39,633	17,814	340,309	21,215
JAMES GARDNER	(I)	0	0	0	0	0	0	0
	(II)	440,268	350,452	149,557	458,428	33,279	1,431,984	0
CAROL BURRELL	(I)	0	0	0	0	0	0	0
	(II)	323,391	135,933	29,513	197,133	23,824	709,794	0
ANTHONY HERDENER	(I)	0	0	0	0	0	0	0
	(II)	296,905	122,055	32,519	109,530	28,934	589,943	0
NANCY J MARTIN	(I)	0	0	0	0	0	0	0
	(II)	191,039	126,199	16,267	59,073	12,713	405,291	65,521
DANE HENRY	(I)	0	0	0	0	0	0	0
	(II)	170,087	79,742	582	24,642	7,935	282,988	17,414
MARY MARTIN	(I)	0	0	0	0	0	0	0
	(II)	124,653	18,130	1,585	25,197	14,999	184,564	0
TRACY VARDEMAN	(I)	0	0	0	0	0	0	0
	(II)	166,664	69,011	17,333	42,959	22,149	318,116	18,957
JAMES BAILEY MD	(I)	0	0	0	0	0	0	0
	(II)	695,112	0	20,928	9,366	19,545	744,951	0
SAMUEL JOHNSON	(I)	0	0	0	0	0	0	0
	(II)	186,579	77,235	18,030	17,929	14,255	314,028	0
SANDRA JOHNSON	(I)	0	0	0	0	0	0	0
	(II)	150,745	105,000	7,858	18,272	7,711	289,586	0
ALLANA CUMMINGS	(I)	0	0	0	0	0	0	0
	(II)	192,692	105,000	19,264	22,318	5,591	344,865	0
JAMES WALKER	(I)	0	0	0	0	0	0	0
	(II)	108,301	48,500	45,402	3,150	9,652	215,005	0
STEPHEN A CARLSON	(I)	0	0	0	0	0	0	0
	(II)	143,690	20,715	1,991	23,420	12,915	202,731	0
DEBRA DUKE	(I)	0	0	0	0	0	0	0
	(II)	128,405	18,104	10,139	17,692	17,397	191,737	0
RANDALL P MILLER	(I)	0	0	0	0	0	0	0
	(II)	233,325	0	870	22,374	6,023	262,592	0
DAVID E PATTERSON	(I)	0	0	0	0	0	0	0
	(II)	188,783	0	1,533	6,783	14,587	211,686	0
WILLIAM LONERGAN	(I)	0	0	0	0	0	0	0
	(II)	128,351	17,878	12,416	20,597	17,104	196,346	0
SCOTT YASKULKA	(I)	0	0	0	0	0	0	0
	(II)	138,740	0	338	8,440	17,729	165,247	0
WILLIAM FOLEY JR	(I)	0	0	0	0	0	0	0
	(II)	127,684	19,204	613	5,310	17,056	169,867	0

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228001102

Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHEAST GEORGIA MEDICAL CENTER INC

Employer identification number
58-1694098

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	THE HOSPITAL AUTHORITY OF HALL COUNTY AND THE CITY OF GAINESVILLE (2010A)	58-6002388	362762KB1	02-18-2010	311,522,031	REFUND PRINCIPAL AND INTEREST OF SERIES 2007G AND SERIES 2008B-H BONDS		X		X		X
B	THE HOSPITAL AUTHORITY OF HALL COUNTY AND THE CITY OF GAINESVILLE (2010B)	58-6002388	362762KS4	02-18-2010	246,724,247	REFUND PRINCIPAL AND INTEREST OF SERIES 2007G AND SERIES 2008B-H BONDS		X		X		X
C	THE HOSPITAL AUTHORITY OF HALL COUNTY AND THE CITY OF GAINESVILLE (2008A)	58-6002388	NONEAVAIL	08-26-2011	46,625,000	REFUND PRINCIPAL AND INTEREST OF SERIES 2008A		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds legally defeased				
3	Total proceeds of issue	313,153,216	247,266,117	46,625,000	
4	Gross proceeds in reserve funds	25,080,929	19,529,827		
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow	46,425,000		46,425,000	
7	Issuance costs from proceeds	7,297,582	703	200,000	
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	41,879,678			
11	Other spent proceeds				
12	Other unspent proceeds	15,326,359			
13	Year of substantial completion				

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X		X		X			
15	Were the bonds issued as part of an advance refunding issue?		X		X		X		
16	Has the final allocation of proceeds been made?		X	X		X			
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X			

Part III Private Business Use

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		
2	Are there any lease arrangements that may result in private business use of bond-financed property?	X		X		X			

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?	X		X		X			
b	Are there any research agreements that may result in private business use of bond-financed property?	X		X		X			
c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X		X		X			
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0 280 %		0 280 %		0 280 %			
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	0 020 %		0 020 %		0 020 %			
6	Total of lines 4 and 5	0 300 %		0 300 %		0 300 %			
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X			

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		
2	Is the bond issue a variable rate issue?		X		X	X			
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X		X	X			
b	Name of provider	CITIBANK NA				CITIBANK NA			
c	Term of hedge	15 000000000000				15 000000000000			
d	Was the hedge superintegrated?		X				X		
e	Was a hedge terminated?		X				X		
4a	Were gross proceeds invested in a GIC?		X		X		X		
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		X		X		X		
6	Did the bond issue qualify for an exception to rebate?		X		X		X		

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule K (see instructions)

Identifier	Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228001102

Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38a or 40b.

▶ Attach to Form 990 or Form 990-EZ. ▶See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHEAST GEORGIA MEDICAL CENTER INC

Employer identification number
58-1694098

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	(c) Corrected? No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	(b) From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) No	(f) Approved by board or committee? Yes	(f) No	(g) Written agreement? Yes	(g) No
Total . . . . . ▶ $										

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	(e) Sharing of organization's revenues? No
(1) THE LONGSTREET CLINIC PC	RODNEY SMITH, BOARD MEMBER IS A PARTNER OF THE LONGSTREET CLINIC, P C	189,365	NORTHEAST GEORGIA MEDICAL CENTER, INC PAYS THE LONGSTREET CLINIC, P C FOR HOSPITALIST AND PHYSICIAN SERVICES RODNEY SMITH, BOARD MEMBER IS A PARTNER OF THE LONGSTREET CLINIC, P C ALL TRANSACTIONS ARE CONDUCTED AT ARM'S LENGTH		No
(2) ADAMS DATA MANAGEMENT	SPENCER PRICE, BOARD MEMBER IS CFO OF ADAMS DATA MANAGEMENT	280,736	NORTHEAST GEORGIA MEDICAL CENTER, INC PAYS ADAMS DATA MANAGEMENT FOR RECORDS MANAGEMENT AND OFFICE SERVICES SPENCER PRICE, BOARD MEMBER IS CFO OF ADAMS DATA MANAGEMENT ALL TRANSACTIONS ARE CONDUCTED AT ARM'S LENGTH		No
(3) STACEY CUMMINGS	STACEY CUMMINGS IS SISTER TO ALLANA CUMMINGS, OFFICER	57,758	STACEY CUMMINGS IS EMPLOYED BY NORTHEAST GEORGIA MEDICAL CENTER, INC		No
(4) AUNDREA STEVENS	AUNDREA STEVENS IS SISTER TO JACK KEENER, BOARD MEMBER	61,573	AUNDREA STEVENS IS EMPLOYED BY NORTHEAST GEORGIA MEDICAL CENTER, INC		No
(5) RACHEL BAILEY	RACHEL BAILEY IS WIFE TO JAMES BAILEY M D , BOARD MEMBER	42,853	RACHEL BAILEY IS EMPLOYED BY NORTHEAST GEORGIA MEDICAL CENTER, INC		No

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493228001102

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHEAST GEORGIA MEDICAL CENTER INC

Employer identification number
58-1694098

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6		NORTHEAST GEORGIA HEALTH SYSTEM, INC IS THE SOLE MEMBER OF NORTHEAST GEORGIA MEDICAL CENTER, INC

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		THE BOARD OF DIRECTORS OF NORTHEAST GEORGIA MEDICAL CENTER ARE APPOINTED BY THE BOARD OF NORTHEAST GEORGIA HEALTH SYSTEM, INC - A RELATED 501(C)(3) ORGANIZATION

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B		THE BOARD OF DIRECTORS OF NORTHEAST GEORGIA MEDICAL CENTER ARE APPOINTED BY THE BOARD OF NORTHEAST GEORGIA HEALTH SYSTEM, INC - A RELATED 501(C)(3) ORGANIZATION

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		INFORMATION FOR THE FORM 990 WAS PROVIDED TO AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT FOR PREPARATION OF RETURN AFTER THE RETURN WAS PREPARED, IT WAS REVIEWED BY SENIOR FINANCIAL MANAGEMENT THE 990 IS MADE AVAILABLE TO MEMBERS OF THE BOARD PRIOR TO FILING

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	BOARD MEMBERS ARE REQUIRED TO COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE ANNUALLY EMPLOYEES ATTEST TO THEIR UNDERSTANDING AND REPORTING/DISCLOSURE REQUIREMENTS AT HIRE AND ANNUALLY COMPLIANCE IS MONITORED CONTINUOUSLY THROUGHOUT THE YEAR BY THE BOARD

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	THE COMPENSATION COMMITTEE OF THE NORTHEAST GEORGIA HEALTH SYSTEM BOARD (NGHS BOARD) HAS DEVELOPED AND INSTALLED COMPENSATION POLICIES AND PROCEDURES THAT SEEK TO FURTHER THE PURPOSE OF NGHS AND AFFILIATES AND THE IMPORTANCE OF THESE POLICIES TO ATTRACT AND RETAIN KEY EMPLOYEES THE COMPENSATION COMMITTEE IS COMPOSED ENTIRELY OF DIRECTORS WHO ARE NOT EMPLOYEES OF NGHS ALL DECISIONS OF THE COMPENSATION COMMITTEE ARE REVIEWED AND RATIFIED BY THE NGHS BOARD THE COMMITTEE'S METHODOLOGY AND APPROACH INCORPORATES BOTH QUALITATIVE AND QUANTITATIVE CONSIDERATIONS, WHICH ARE REFLECTED IN THE COMMITTEE'S DETERMINATIONS CONCERNING KEY EMPLOYEE COMPENSATION AND THE SPECIFIC COMPONENTS THEREOF THE COMPENSATION DECISIONS OF THE COMMITTEE ARE DESCRIBED BELOW AS TO EACH OF THE THREE CATEGORIES BASE SALARY ANNUAL BASE SALARIES ARE SET AT COMPETITIVE LEVELS WITH HEALTHCARE INSTITUTIONS OF A SIMILAR SIZE AND COMPLEXITY FROM THROUGHOUT THE COUNTRY SPECIFICALLY THE COMMITTEE CONSIDERS PEER GROUP COMPARISONS FROM SURVEY DATA FOR OTHER HEALTH SYSTEMS, RECOMMENDATIONS FROM AN INDEPENDENT COMPENSATION CONSULTANT, AND INDIVIDUAL PERFORMANCE ASSESSMENTS FOR EACH POSITION IN EACH INSTANCE THE COMMITTEE MEMBERS REACH A CONSENSUS BASED ON THE COMBINATION OF AVAILABLE INFORMATION, AND THE COMMITTEE SETS A BASE SALARY LEVEL FOR EACH KEY EMPLOYEE PERFORMANCE BASED VARIABLE COMPENSATION NUMEROUS PERFORMANCE GOALS ARE QUANTITATIVE IN NATURE, RESULTING IN A PERFORMANCE BASED VARIABLE COMPENSATION COMPONENT THAT IS WEIGHTED TOWARD ATTAINING NGHS BOARD-APPROVED GOALS AND OBJECTIVES ANNUAL GOALS AND OBJECTIVES ARE ESTABLISHED THROUGH A FORMAL PLANNING PROCESS INVOLVING BOARD AND COMMUNITY MEMBERS THE BOARD APPROVES THESE GOALS AND OBJECTIVES AT THE BEGINNING OF EACH YEAR OFFICERS AND KEY EMPLOYEES RECEIVE CASH AWARDS AS A FORMULA DRIVEN PERCENTAGE OF BASE SALARY LEVELS BASED ON ACHIEVEMENT AND PREDETERMINED INDIVIDUAL OBJECTIVES BENEFITS AND RETENTION PROGRAMS BENEFIT CATEGORIES AND AMOUNTS ARE DETERMINED BY A COMPARISON PROCESS SIMILAR TO DETERMINING BASE SALARIES WITH POSITIONS AND ORGANIZATIONS SIMILAR TO NGHS INCLUDED IN BENEFITS ARE RETIREMENT PROGRAMS TO ENHANCE RETENTION AND PROGRESS TOWARD LONG-TERM GOALS WITHIN NGHS' MISSION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	FINANCIAL STATEMENTS AND STATISTICS ARE FILED QUARTERLY WITH DIGITAL ASSURANCE CERTIFICATION, LLC (DAC BOND) DAC BOND SERVES AS A DISCLOSURE DISSEMINATION AGENT FOR ISSUERS OF MUNICIPAL BONDS ELECTRONICALLY POSTING AND TRANSMITTING INFORMATION TO REPOSITORIES AND INVESTORS ALL OTHER ITEMS ARE AVAILABLE UPON REQUEST

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -35,059,496 EQUITY TRANSFER TO THE MEDICAL CENTER FOUNDATION -1,065,045 INTERCOMPANY DEBT FORGIVENESS -26,675,133 PARTNERSHIP INCOME NOT ON BOOKS 187,920 CUMMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE -4,173,015 TOTAL TO FORM 990, PART XI, LINE 5 -66,784,769

Identifier	Return Reference	Explanation
	FORM 990, PART III LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS	LOCATED IN THE NORTHEASTERN SECTION OF THE STATE IN HALL COUNTY, NORTHEAST GEORGIA MEDICAL CENTER (NGMC) IS A 557-BED NOT-FOR-PROFIT REGIONAL REFERRAL FACILITY THAT PROVIDES A COMP REHENSIVE RANGE OF ACUTE CARE AND SPECIALTY SERVICES THROUGH ITS ROLE AS A REGIONAL SAFET Y NET HOSPITAL, NGMC SERVES THE AREA'S LOW-INCOME, UNINSURED, UNDERINSURED AND OTHER VULNE RABLE POPULATIONS APPROXIMATELY HALF OF NGMC'S PATIENTS COME FROM OUTSIDE OF HALL COUNTY AS A NOT-FOR-PROFIT HOSPITAL, NGMC REINVESTS ALL FUNDS IN EXCESS OF OPERATING EXPENSES IN TO HEALTHCARE SERVICES FOR THE COMMUNITY THE MEDICAL CENTER RECEIVES NO OPERATING FUNDS F ROM HALL OR OTHER COUNTIES SERVED, AND SERVICES ARE FUNDED BY REVENUE GENERATED FROM OPERA TIONS NGMC PROVIDED INDIGENT CARE TO HALL COUNTY RESIDENTS AT A COST OF $15,647,060 MILLI ON IN 2011, WITH ANOTHER $10,937,273 MILLION PROVIDED TO REGIONAL RESIDENTS OUTSIDE HALL C OUNTY THE MEDICAL CENTER'S CHARITY CARE POLICY PROVIDES FINANCIAL ASSISTANCE UP TO 300 PE RCENT OF THE POVERTY LEVEL - DOUBLE THE AMOUNT GENERALLY PROVIDED BY OTHER HOSPITALS ACROS S THE STATE THE HOSPITAL IS A KEY PARTICIPANT AND FISCAL SPONSOR IN PROGRAMS AIMED AT TRE ATING LOW-INCOME AND UNINSURED PATIENTS, INCLUDING THE GOOD NEWS CLINICS, THE LARGEST FREE HEALTH CARE CLINIC IN GEORGIA, AND HEALTH ACCESS INITIATIVE (HAI), A LOCAL SERVICE THAT M ATCHES FINANCIALLY ELIGIBLE PATIENTS TO SPECIALTY PHYSICIANS AND PROVIDES ACCESS TO CARE, AMONG OTHER SERVICES ADDITIONALLY - LOCATED IN GEORGIA'S FASTEST GROWING REGION, THE 61- YEAR-OLD HOSPITAL HAS EXPANDED CONSIDERABLY IN RECENT YEARS TO MEET DEMAND AND UPDATE ITS AGING PLANT, INVESTING A QUARTER OF A BILLION DOLLARS IN ITS FACILITIES, - NGMC'S QUALITY OF CARE IS OFTEN AWARDED, AND THE HOSPITAL RANKS AMONG THE TOP IN THE STATE FOR CARDIAC SE RVICES, - SINCE 2000, NGMC HAS PROVIDED NEARLY THREE TIMES THE AMOUNT OF INDIGENT AND CHAR ITY CARE SET FORTH IN REQUIREMENTS BY THE GEORGIA DEPARTMENT OF COMMUNITY HEALTH FOR SUCCE SSFUL PASSAGE OF A CERTIFICATE OF NEED FOR NEW SERVICES, AND, UNLIKE MANY GEORGIA NOT-FOR- FOR PROFIT HOSPITALS HELD TO THE SAME REQUIREMENTS, NGMC DOES NOT RECEIVE TAX FUNDING FROM ITS LOCAL COUNTY TO HELP FUND INDIGENT CARE TO AREA RESIDENTS, - NGMC IS THE PRIMARY HOSP ITAL FOR LOW-INCOME PATIENTS IN GAINESVILLE-HALL COUNTY AND THROUGHOUT THE REGION IN COUNT IES SUCH AS BANKS, LUMPKIN, AND WHITE, WHERE MANY KEY MEDICAL SPECIALTIES ARE NOT AVAILABL E NORTHEAST GEORGIA MEDICAL CENTER IN CALENDAR YEAR 2010, THE LATEST DATA AVAILABLE, NGMC WAS FIFTH IN THE STATE FOR NET UNCOMPENSATED CARE NGMC PROVIDED INDIGENT CARE TO HALL CO UNTY RESIDENTS AT A COST OF $15,647,060 MILLION IN 2011, WITH ANOTHER $10,937,273 MILLION PROVIDED TO REGIONAL RESIDENTS OUTSIDE HALL COUNTY NGMC RECEIVES NO LOCAL TAX REVENUE FRO M HALL COUNTY (OR ANY COUNTIES SERVED IN REGION 2) TO SUPPORT OPERATIONS OR CARE PROVIDED TO INDIGENT RESIDENTS, UNLIKE A NUMBER OF NOT-FOR-PROFIT HOSPITALS NGMC SERVES AS A FINAN CIAL ENGINE FOR ITS LOCAL ECONOMY IN 2009 (LATEST NUMBERS AVAILABLE), THE HOSPITAL GENERA TED NEARLY A BILLION DOLLARS IN REVENUE FOR THE LOCAL ECONOMY, ACCORDING TO A REPORT BY TH E GEORGIA HOSPITAL ASSOCIATION, WHICH APPLIED AN ECONOMIC MULTIPLIER TO THE HOSPITAL'S DIR ECT EXPENDITURES TO ACCOUNT FOR THE "RIPPLE" EFFECT THE HOSPITAL'S SPENDING HAS ON OTHER S ECTORS OF THE LOCAL ECONOMY APPLY ING AN EMPLOY MENT MULTIPLIER, THE REPORT FOUND THAT THE HOSPITAL SUSTAINED MORE THAN 8,000 JOBS IN 2009 IN ADDITION TO THE MORE THAN 4,000 EMPLOYE D DIRECTLY BY NORTHEAST GEORGIA HEALTH SYSTEM UNDER THE IRS LAW, A TAX-EXEMPT ORGANIZATIO N, CLASSIFIED AS A 501(C)(3) CHARITY, IS REQUIRED TO HAVE A MISSION THAT WILL BENEFIT ITS COMMUNITY, REINVEST ALL SURPLUS FUNDS IN THE ORGANIZATION IN A WAY THAT BENEFITS THE COMM UNITY, COMPENSATE EXECUTIVES, CONTRACTORS AND OTHER EMPLOYEES IN ACCORDANCE WITH FAIR MARK ET VALUE, REMAIN ACCOUNTABLE TO THE COMMUNITY, REFRAIN FROM PARTICIPATING IN POLITICAL CAM PAIGNS FOR OR AGAINST CANDIDATES, REFRAIN FROM LOBBY ING AS A SUBSTANTIAL PART OF ITS ACTIV ITIES, AND, REMAIN FINANCIALLY ACCOUNTABLE TO THE COMMUNITY BY NOT ALLOWING ANY PORTION OF ITS NET EARNINGS TO BENEFIT ANY PRIVATE SHAREHOLDER OR INDIVIDUAL AS A NOT-FOR-PROFIT HO SPITAL, NGMC CARRIES ADDITIONAL RESPONSIBILITIES, AS ESTABLISHED BY THE IRS IN 1969 OPE RATE A FULL-TIME EMERGENCY ROOM THAT IS AVAILABLE TO ALL PEOPLE, REGARDLESS OF THEIR ABILI TY TO PAY, - NGMC OPERATES THE 2ND BUSIEST ER IN GEORGIA IN 2011, APPROXIMATELY 25% OF AL L NGMC'S EMERGENCY ROOM VISITS WERE MADE BY SELF-PAY PATIENTS PROVIDE NON-EMERGENCY SER VICES TO ANYONE ABLE TO PAY, - NORTHEAST GEORGIA HEALTH SYSTEM PROVIDES HIGH QUALITY, ADVA NCED SPECIALTY AND PRIMARY HEALTHCARE SERVICES TO THE NORTHEAST GEORGIA COMMUNITY, SERVING ALMOST 700,000 PEOPLE IN MORE THAN 13 COUNTIES IN FY2011, NGMC'S PAYOR MIX WAS 50% MEDIC ARE/MEDICAID, 36% COMMERCIAL INSURANCE AND 12% SELF-PAY PARTICIPATE IN MEDICAID AND MED ICARE, - 50% OF PATIENTS SERVED BY NGMC IN FY10 WE

Identifier	Return Reference	Explanation
	FORM 990, PART III LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS	RE MEDICAID AND MEDICARE PATIENTS CREATE A GOVERNING BOARD THAT IS REPRESENTATIVE OF TH E COMMUNITY IT SERVES, - MORE THAN 75 COMMUNITY MEMBERS ARE ACTIVELY INVOLVED IN GOVERNANC E THROUGH NORTHEAST GEORGIA HEALTH SYSTEM, NGMC AND OTHER SUBSIDIARY BOARDS AND COMMITTEES ALLOW MEDICAL STAFF PRIVILEGES TO ANY PROFESSIONAL WHO IS QUALIFIED AND APPLIES, AND, - NGMC HAS A MEDICAL STAFF OF MORE THAN 500 PHYSICIANS REPRESENTING NUMEROUS ADVANCED SPEC IALTIES SUCH AS GYNECOLOGIC ONCOLOGY, ELECTROPHYSIOLOGY, CARDIAC SURGERY, CRITICAL CARE ME DICINE, NEONATOLOGY AND PERINATOLOGY REINVEST SURPLUS FUNDS IN OPERATIONS - AS NOT-FOR -PROFIT ORGANIZATIONS, NGMC AND ITS PARENT ORGANIZATION, NORTHEAST GEORGIA HEALTH SYSTEM, REINVEST ALL REVENUE GENERATED ABOVE OPERATING EXPENSES INTO THE COMMUNITY THROUGH NEW FAC ILITIES, SUCH AS THE NORTH PATIENT TOWER AND WOMEN AND CHILDREN'S PAVILION, AND IN NEW ADV ANCED TECHNOLOGY, SUCH AS THE REGION'S FIRST 3T MRI, THE STATE'S FIRST STEREOTAXIS ODYSSEY MAGNETIC CATHETERIZATION SYSTEM AND REGION 2'S ONLY HYPERBARIC OXYGEN THERAPY CHAMBER NG MC PARTICIPATES IN THE INDIGENT CARE TRUST FUND (ICTF), A 20-YEAR-OLD PROGRAM THAT EXPANDS MEDICAID ELIGIBILITY AND SERVICES, SUPPORTS RURAL HEALTH CARE FACILITIES THAT SERVE THE M EDICALLY INDIGENT AND FUNDS PRIMARY HEALTH CARE PROGRAMS FOR MEDICALLY INDIGENT GEORGIANS GEORGIA'S DISPROPORTIONATE SHARE HOSPITAL (DSH) PROGRAM IS FUNDED THROUGH THE ICTF, AND A SSISTS HOSPITALS AND OTHER HEALTH PROVIDERS THAT CARE FOR HIGH PROPORTIONS OF MEDICAID, UN INSURED AND/OR LOW-INCOME PATIENTS IN 2011, NGMC RECEIVED $10,412,862 IN NET FUNDS ALLOCA TED THROUGH THE ICTF, UPL, AND DSH PROGRAM TO PARTIALLY OFFSET A FINANCIAL LOSS OF $41 5 M ILLION IN COST THE MEDICAL CENTER INCURRED TREATING UNINSURED AND MEDICAID PATIENTS

Identifier	Return Reference	Explanation
		COMMUNITY BENEFITS SITUATED IN A REGION WITH AN UNINSURED RATE THAT IS HIGHER THAN THE STA TE AVERAGE, AREA HEALTH CONSUMERS CAN FACE SIGNIFICANT BARRIERS IN AFFORDING CARE. NGMC HA S SIGNIFICANTLY CONTRIBUTED TO LOCAL PROGRAMS THAT AIM TO ADDRESS THESE ISSUES, PRIMARILY THROUGH ITS SUPPORT OF THE GOOD NEWS CLINICS AND HEALTH ACCESS INITIATIVE (HAI). GOOD NEWS CLINICS WITHIN HALL COUNTY, THERE ARE SEVERAL LOW-COST ALTERNATIVES TO HELP PEOPLE AVOID CHOOSING THE HOSPITAL'S EMERGENCY DEPARTMENT FOR PRIMARY CARE SERVICES. SERVING AS THE LAR GEST FREE CLINIC IN GEORGIA, THE GOOD NEWS CLINICS OFFERS PRIMARY MEDICAL, OPHTHALMOLOGY S ERVICES AND DENTAL CARE, AS WELL AS MEDICATIONS TO INDIGENT, HOMELESS AND LOW-INCOME INDIV IDUALS AT OR BELOW 150 PERCENT OF THE FEDERAL POVERTY LEVEL IN HALL COUNTY WHO HAVE NO HEA LTHCARE INSURANCE AND CANNOT AFFORD HIS OR HER MEDICAL CARE. ALL SERVICES ARE PROVIDED FRE E OF CHARGE, EVEN THOUGH THE CLINIC RECEIVES NO FEDERAL, STATE OR LOCAL GOVERNMENT FUNDING. PATIENTS WHO NEED SPECIALTY CARE ARE REFERRED TO HEALTH ACCESS INITIATIVE. SINCE 1999, N GMC HAS PROVIDED $3,247,030 IN SUPPORT OF GOOD NEWS CLINICS AND AN AVERAGE ANNUAL SUPPORT OF $299,095 FROM FY2007-2011. IN 2011, NGMC CONTRIBUTED OVER $265,000 IN FINANCIAL SUPPORT. HALL COUNTY MEDICAL SOCIETY'S HEALTH ACCESS INITIATIVE LAUNCHED IN 2003, HALL COUNTY'S H EALTH ACCESS INITIATIVE (HAI) IS A REFERRAL SERVICE FOUNDED BY THE HALL COUNTY MEDICAL SOC IETY THAT MATCHES FINANCIALLY ELIGIBLE PATIENTS TO PHYSICIANS WHO HAVE VOLUNTEERED TO PROV IDE FREE TREATMENT TO PATIENTS WHO QUALIFY FOR SERVICES, PROVIDES HELP WITH OBTAINING MEDI CATIONS AND OFFERS ANCILLARY SERVICES SUCH AS X-RAYS AND TRANSLATION SERVICES. HAI ALSO PR OVIDES ANCILLARY SERVICES AND OUTREACH EDUCATION FOR ITS COMMUNITY, AND COLLABORATES WITH OTHER MEDICAL CENTERS, SUCH AS NGMC. IN 2011, APPROXIMATELY 1,800 PEOPLE WERE ASSISTED WIT H NEEDED MEDICAL CARE THROUGH HAI. TO QUALIFY FOR ITS SERVICES, A PATIENT'S INCOME MUST BE AT OR BELOW 150 PERCENT FEDERAL POVERTY LEVEL AND HAVE NO MEDICAL INSURANCE. THE PATIENT MUST LIVE IN HALL COUNTY AND MUST BE REFERRED BY A PHYSICIAN THAT IS IN THE HAI NETWORK. F IRST CONCEIVED IN 1998, THE NEED FOR THE PROGRAM WAS LARGELY DETERMINED BY A COMMUNITY NEE DS ASSESSMENT CONDUCTED BY HEALTHY HALL, A COALITION OF COMMUNITY MEMBERS, INCLUDING NGMC. SINCE ITS LAUNCH, THE HOSPITAL HAS FISCALLY CONTRIBUTED TO HAI. SPECIFICALLY, IN 2011, OV ER $14 MILLION IN DONATED HOSPITAL SERVICES WAS PROVIDED TO LOW INCOME, UNINSURED PATIENTS THROUGH HEALTH ACCESS. IN ADDITION, SINCE 2005, HAI HAS RECEIVED MORE THAN $1,213,000 FRO M THE MEDICAL CENTER FOUNDATION. OTHER HAI PARTNERS INCLUDE THE HALL COUNTY HEALTH DEPARTM ENT AND MEDLINK OF GAINESVILLE, A FEDERALLY QUALIFIED HEALTH CENTER. IN 2006, HEALTHCARE G EORGIA FOUNDATION NAMED THE HAI PROGRAM "COMMUNITY SERVICE COLLABORATIVE OF THE YEAR." NGM C ALSO PLAYS A MAJOR ROLE IN FUNDING A PRIMARY CARE CLINIC AT THE HALL COUNTY HEALTH DEPAR TMENT TO IMPROVE ACCESS TO PRIMARY HEALTHCARE SERVICES FOR LOW-INCOME PEOPLE IN OUR COMMUN ITY. IN FY11, NGMC CONTRIBUTED OVER $1 2 MILLION. IN FY11, NORTHEAST GEORGIA MEDICAL CENTE R RECEIVED A NATIONAL CHARITABLE HEALTHCARE AWARD FROM JACKSON HEALTHCARE FOR COLLABORATIV E SUPPORT OF GOOD NEWS CLINICS AND HEALTH ACCESS INITIATIVE. ADDITIONAL HIGHLIGHTS OF COMM UNITY BENEFIT PROGRAMS NGMC VALUES COOPERATIVE EFFORTS WITH COMMUNITY SERVICES AND OTHER H EALTHCARE PROVIDERS TO IMPROVE THE HEALTH STATUS OF AREA CITIZENS. NGMC DEMONSTRATES ITS V ALUE FOR COLLABORATIVE EFFORTS WITHIN THE COMMUNITY THROUGH MANY PARTNERSHIPS RANGING FROM SERVING AS LEAD AGENCY OF THE SAFE KIDS COALITION OF GAINESVILLE-HALL COUNTY, TO PARTNERI NG WITH COMMUNITY HEALTH ORGANIZATIONS, TO HELPING REACH AT-RISK POPULATIONS IN NEED OF HE ALTHCARE. IN FY11, OVER $4 4 MILLION WAS PROVIDED IN COMMUNITY BENEFIT PROGRAMS/OUTREACH. COMMUNITY EDUCATION WAS PROVIDED THROUGH FREE COMMUNITY LECTURES, VARIOUS SUPPORT GROUPS, AND THE SEMI-ANNUAL HEALTH MAGAZINE, COMMUNICARE. PRESENTATIONS WERE MADE THROUGH THE SPEA KER'S BUREAU, AND NGMC ALSO OFFERED SMOKING CESSATION CLASSES, AS WELL AS LIVING LIGHTER, A WEIGHT LOSS PROGRAM. IN FY11, MORE THAN 600 NGMC VOLUNTEERS CONTRIBUTED MORE THAN 61,000 VOLUNTEER HOURS, EQUIVALENT TO 36 FULL TIME EMPLOYEES AND A VALUE OF OVER $1 3 MILLION. W HILE THESE FIGURES ARE NOT INCLUDED IN THE QUANTITATIVE PORTION OF THE COMMUNITY BENEFIT R EPORT, THEY SHOW THE DEPTH OF SUPPORT THE COMMUNITY GIVES NGMC. THE MEDICAL CENTER FOUNDAT ION RAISES FUNDS TO BENEFIT THE COMMUNITY. THE MEDICAL CENTER FOUNDATION IS THE FUNDRAISING ARM OF NORTHEAST GEORGIA MEDICAL CENTER AND HEALTH SYSTEM AND RAISES FUNDS TO IMPROVE THE HEALTH OF THE COMMUNITY. THE FOUNDATION'S OPERATING EXPENSES ARE SUPPORTED BY NGMC SO THA T DONATED FUNDS CAN BE USED TO SUPPORT NGMC PROJECTS AND COMMUNITY HEALTH IMPROVEMENT INIT IATIVES. FOLLOWING ARE ITEMS OF INTEREST TO NOTE. - SINCE 1997, OVER $2 2 MILLION HAS BEEN RAISED FOR COMMUNITY HEALTH IMPROVEMENT PROJECTS

Identifier	Return Reference	Explanation
		THROUGH THE MEDICAL CENTER OPEN GOLF TOURNAMENT - THE 2010 MEDICAL CENTER OPEN GOLF TOURN AMENT, HELD IN FY11, RAISED OVER $186,000 TO BENEFIT THE HALL COUNTY FIRE SERVICES AED PRO GRAM AND THE NORTHEAST GEORGIA REGIONAL STEMI PROGRAM TO PROVIDE LIFE-SAVING CARDIAC EQUIP MENT FOR GAINESVILLE CITY AND HALL COUNTY SCHOOLS AND GEORGIA'S REGION II EMS - THE MEDIC AL CENTER FOUNDATION AND THE W A T C H (WE ARE TARGETING COMMUNITY HEALTHCARE) EMPLOYEE-G IVING CLUB RECEIVED THE 2011 SPIRIT OF PHILANTHROPY AWARD FOR BEST EMPLOYEE GIVING PROGRAM FROM THE GEORGIA HOSPITAL ASSOCIATION'S GEORGIA ASSOCIATION FOR DEVELOPMENT PROFESSIONALS W A T C H MEMBERS HAVE DONATED MORE THAN $4 MILLION TO SUPPORT THE HEALTHY JOURNEY CAMP AIGN SINCE THE PROGRAM'S INCEPTION IN 2000 SAFE KIDS COALITION WORKS TO KEEP KIDS SAFE TH E GAINESVILLE-HALL COUNTY SAFE KIDS COALITION, LED BY NGMC, IS PART OF THE NATIONAL SAFE K IDS CAMPAIGN, THE FIRST AND ONLY NATIONAL ORGANIZATION DEDICATED SOLELY TO THE PREVENTION OF UNINTENTIONAL CHILDHOOD INJURY, WHICH IS THE NATION'S NUMBER ONE KILLER OF CHILDREN AGE S 14 AND UNDER THIS PROGRAM PROVIDES AFFORDABLE SAFETY EQUIPMENT SUCH AS CAR SEATS AND BI KE HELMETS TO AREA CHILDREN IN NEED WORKING WITH A COALITION MADE UP OF LAW ENFORCEMENT, AREA SCHOOLS, COMMUNITY VOLUNTEERS AND OTHERS, SAFE KIDS PROVIDES EDUCATIONAL MATERIALS AN D PROGRAMS THAT TEACH CHILDREN AND THEIR PARENTS HOW TO AVOID ACCIDENTS AND INJURIES SAFE KIDS CONTINUED THE WORK OF INJURY PREVENTION FOR FAMILIES IN THE HALL COUNTY COMMUNITY IN 2011 THANKS TO THE SUPPORT OF THE MEDICAL CENTER FOUNDATION AND THE HEALTHY JOURNEY CAMPA IGN IN FY11, MEMBERS OF THE GAINESVILLE-HALL COUNTY SAFE KIDS COALITION PROVIDED OVER 300 PROGRAMS AND EVENTS THAT REACHED AN ESTIMATED 51,000 CHILDREN AND THEIR FAMILY MEMBERS, T EACHERS AND CAREGIVERS THROUGH THESE PROGRAMS, OVER 3,000 SAFETY DEVICES WERE DISTRIBUTED TO FAMILIES WHO WERE IN NEED OF THEM GETTING OLDER AND BETTER WORKSHOP OVER 200 PEOPLE P ARTICIPATED IN THE GETTING OLDER AND BETTER WORKSHOP IN MAY AT FIRST UNITED METHODIST CHUR CH IN GAINESVILLE AND THE SPOUT SPRINGS LIBRARY IN FLOWERY BRANCH THIS EVENT WAS SPONSORE D BY THE MEDICAL CENTER AUXILIARY, PROVIDED BY NGMC, AND FEATURED SPEAKERS ON SURGICAL AND NON-SURGICAL OPTIONS FOR JOINT PAIN SPONSORSHIPS AND DONATIONS IN FY11, NGMC SPONSORED O R MADE A DONATION TO OVER 15 COMMUNITY AGENCIES SERVING HEALTH AND HUMAN SERVICE NEEDS, RA NGING FROM SUPPORTING THE AMERICAN CANCER SOCIETY TO TEEN PREGNANCY PREVENTION SPONSORSHI PS/DONATIONS TOTALED OVER $30,000 IN FY11

Identifier	Return Reference	Explanation
		EMPLOYEES LEAD THE WAY UNITED WAY PACESETTER & MORE NGMC COMPLETED ITS 2011 UNITED WAY CORNERSTONE CAMPAIGN 9/11 NGHS EMPLOYEES CONTRIBUTED OVER $136,000 TO UNITED WAY AS A CORNERSTONE COMPANY THIS IS 13% MORE THAN LAST YEAR AND $18,000 MORE THAN NGHS HAS EVER CONTRIBUTED AS AN ORGANIZATION NGMC EMPLOYEES ARE VERY ACTIVE IN THE COMMUNITY, VOLUNTEERING AT THE GOOD NEWS CLINICS, IN THEIR CHURCHES ON MISSION TRIPS AND FOR COMMUNITY AGENCIES SUCH AS THE HUMANE SOCIETY AND HABITAT FOR HUMANITY WHEN IT COMES TO SUPPORTING THE MEDICAL CENTER FOUNDATION'S EMPLOYEE GIVING CLUB, W A T C H (WE ARE TARGETING COMMUNITY HEALTHCARE), OVER 2,300 EMPLOYEES DONATED OVER $413,000 IN FY11 FLOYD HIGDON OF NGMC PLANT OPERATIONS RECEIVED THE BOYS AND GIRLS CLUBS' HELPING HANDS AWARD AT THEIR ANNUAL GALA FLOYD HAS SERVED ON THE BOYS AND GIRLS CLUBS BOARD OF DIRECTORS FOR OVER FIVE YEARS IN 2009, HE RECEIVED THEIR PRESIDENT'S AWARD FOR 1,400 HOURS OF VOLUNTEER SERVICES AND FOR ADDITIONAL VOLUNTEER EFFORTS WITH HIS CHURCH AND OVERSEAS MISSIONS GOVERNOR NATHAN DEAL APPOINTED DEB BAILEY, BSN, MSN, NGMC DIRECTOR OF GOVERNMENTAL RELATIONS, TO THE GEORGIA BOARD OF NURSING SHE SERVES ON THE HEALTH COMMITTEE OF THE GEORGIA CHAMBER OF COMMERCE AS WELL AS GEORGIA PUBLIC HEALTH COMMISSION AND NURSING EDUCATION STUDY GROUP DOUG CARTER, NGMC'S BOARD CHAIRMAN, SERVED AS THE CHAIRMAN OF THE GEORGIA CHAMBER OF COMMERCE IN 2011 CAROL BURRELL, NGMC'S CEO, WAS NAMED TO THE ATLANTA BUSINESS CHRONICLE'S TOP 100 NAMES AND FACES TO KNOW IN THE HEALTHCARE INDUSTRY BLOOD DRIVES NGMC EMPLOYEES DONATED OVER 311 UNITS OF BLOOD IN FY11, BENEFITTING OVER 900 INDIVIDUALS SUPPORT OF COMMUNITY EVENTS NGMC EMPLOYEES ALSO TURNED OUT IN FULL FORCE FOR COMMUNITY EVENTS SUCH AS THE AMERICAN HEART WALK, MARCH OF DIMES' WALKAMERICA AND AMERICAN CANCER SOCIETY'S RELAY FOR LIFE, AVERAGING PARTICIPATION OF 200-300 PER EVENT TRAINING AND EDUCATION FOR HEALTHCARE PROFESSIONALS AND OTHER STUDENTS NORTHEAST GEORGIA MEDICAL CENTER SUPPORTS THE TRAINING AND EDUCATION OF NURSES AND OTHER HEALTHCARE PROFESSIONALS - NGMC IS A TRAINING SITE FOR HANDICAPPED HIGH SCHOOL STUDENTS WHO WORK IN THE AREAS OF MATERIALS MANAGEMENT, NUTRITIONAL SERVICES, PHARMACY AND LINENS 21 STUDENTS AND 3 INSTRUCTORS PARTICIPATED IN FY11 - 64 STUDENTS FROM AREA HIGH SCHOOLS PARTICIPATED IN THE YOUTH APPRENTICESHIP PROGRAM IN FY11 - NGMC PARTNERS WITH LANIER TECH TO HOUSE A RADIOLOGY TECH PROGRAM AND HELPS FUND FACULTY, ALSO PROVIDES 2 PC LABS AND CLASSROOM SPACE FOR LANIER TECH'S LPN PROGRAM - 94 JOB SHADOWS WERE PLACED AT NGMC DURING FY11, ALLOWING HIGH SCHOOL AND POSTSECONDARY STUDENTS FROM AREA SCHOOLS TO SHADOW PROFESSIONAL HEALTHCARE STAFF

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228001102

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
NORTHEAST GEORGIA MEDICAL CENTER INC

Employer identification number
58-1694098

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) NORTHEAST GA SPECIALTY GROUP LLC 743 SPRING STREET GAINESVILLE, GA 30501 26-0556328	HEALTHCARE CLINICS	GA	0	0	N/A
(2) NGHS QUICKCARE LLC 743 SPRING STREET GAINESVILLE, GA 30501 20-5064238	HEALTHCARE CLINICS	GA	0	0	N/A
(3) THE BRASELTON CLINIC LLC 743 SPRING STREET GAINESVILLE, GA 30501 26-0556190	HEALTHCARE CLINICS	GA	0	0	N/A
(4) NORTHEAST GEORGIA OCCUPATIONAL HEALTH LLC 743 SPRING STREET GAINESVILLE, GA 30501 58-2608332	OCCUPATIONAL MEDICINE	GA	0	0	N/A
(5) RIVER PLACE MEDICAL OFFICE PLAZA I LLC 743 SPRING STREET GAINESVILLE, GA 30501 58-1694090	RENTAL	GA	0	0	N/A

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) NORTHEAST GEORGIA HEALTH SYSTEM INC 743 SPRING STREET GAINESVILLE, GA 30501 58-1694090	HEALTHCARE - PARENT ORG	GA	501(C)(3)	LINE 11C, III-FI	N/A		No
(2) THE MEDICAL CENTER FOUNDATION INC 743 SPRING STREET GAINESVILLE, GA 30501 58-1694820	FUNDRAISING	GA	501(C)(3)	LINE 7	NORTHEAST GEORGIA HEALTH SYSTEM INC		No
(3) NORTHEAST GEORGIA PHYSICIANS GROUP INC 743 SPRING STREET GAINESVILLE, GA 30501 58-2078064	HEALTHCARE	GA	501(C)(3)	LINE 11B, II	NORTHEAST GEORGIA HEALTH SYSTEM INC		No

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) NORTHEAST GEORGIA HEALTH PARTNERS LLC 743 SPRING STREET GAINESVILLE, GA30501 58-2131807	PPO DEVELOPMENT	GA	N/A	C			
(2) STRATEGIC PHYSICIAN SERVICES INC 743 SPRING STREET GAINESVILLE, GA30501 26-0342081	HEALTHCARE PSS	GA	N/A	C			

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III or IV

		Yes	No
1	During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a	No
b	Gift, grant, or capital contribution to other organization(s)	1b	Yes
c	Gift, grant, or capital contribution from other organization(s)	1c	Yes
d	Loans or loan guarantees to or for other organization(s)	1d	Yes
e	Loans or loan guarantees by other organization(s)	1e	Yes
f	Sale of assets to other organization(s)	1f	No
g	Purchase of assets from other organization(s)	1g	No
h	Exchange of assets	1h	No
i	Lease of facilities, equipment, or other assets to other organization(s)	1i	Yes
j	Lease of facilities, equipment, or other assets from other organization(s)	1j	No
k	Performance of services or membership or fundraising solicitations for other organization(s)	1k	No
l	Performance of services or membership or fundraising solicitations by other organization(s)	1l	Yes
m	Sharing of facilities, equipment, mailing lists, or other assets	1m	Yes
n	Sharing of paid employees	1n	Yes
o	Reimbursement paid to other organization for expenses	1o	No
p	Reimbursement paid by other organization for expenses	1p	No
q	Other transfer of cash or property to other organization(s)	1q	Yes
r	Other transfer of cash or property from other organization(s)	1r	No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproprtionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation

NORTHEAST GEORGIA MEDICAL CENTER, INC.

(A Controlled Affiliate of Northeast Georgia Health System, Inc.)

Audited Financial Statements

Years Ended September 30, 2011 and 2010

PYA

NORTHEAST GEORGIA MEDICAL CENTER, INC.
(A Controlled Affiliate of Northeast Georgia Health System, Inc.)

Audited Financial Statements

Years Ended September 30, 2011 and 2010

PYA
Certified Public Accountants

PERSHING YOAKLEY & ASSOCIATES, P.C.
Two Ravinia Drive, Suite 1175
Atlanta, GA 30346
p: (678) 441-0645 | f: (678) 441-0637
www.pyapc.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Northeast Georgia Medical Center, Inc.:

We have audited the accompanying balance sheets of Northeast Georgia Medical Center, Inc. (NGMC) as of September 30, 2011 and 2010 and the related statements of operations and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of NGMC's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NGMC's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northeast Georgia Medical Center, Inc. as of September 30, 2011 and 2010, and the results of its operations and changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Northeast Georgia Medical Center, Inc. is an entity whose sole member is Northeast Georgia Health System, Inc. (NGHS) and is part of a group of entities controlled or managed by NGHS. As discussed in Note A, NGHS allocates various expenses and liabilities to members of this group of entities, and, as such, the accompanying financial statements reflect the results of these allocations and not necessarily the results of NGMC on a stand-alone basis.

Pershing Yoakley & Associates P.C.

Atlanta, Georgia
January 20, 2012

NORTHEAST GEORGIA MEDICAL CENTER, INC.
(A Controlled Affiliate of Northeast Georgia Health System, Inc.)

Balance Sheets

	September 30,	
	2011	***2010***
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ **4,124,255**	$ 17,521,564
Investments	**39,849,695**	5,140,193
Assets limited as to use, required for current obligations	**3,435,449**	2,892,209
Patient accounts receivable, less allowance for uncollectible receivables of approximately $38,488,000 in 2011 and $32,995,000 in 2010	**70,408,840**	66,494,291
Inventory of supplies	**3,094,904**	2,154,612
Other current assets	**1,044,126**	947,811
TOTAL CURRENT ASSETS	**121,957,269**	95,150,680
INVESTMENTS	**329,479,849**	322,801,231
ASSETS LIMITED AS TO USE		
Under indenture agreements - held by trustees	**58,812,595**	68,272,553
By Board for designated purposes	**369,496**	348,336
Other	**8,696,177**	8,502,607
	67,878,268	77,123,496
Less amounts required for current obligations	**(3,435,449)**	(2,892,209)
TOTAL ASSETS LIMITED AS TO USE	**64,442,819**	74,231,287
PROPERTY, PLANT AND EQUIPMENT, net	**415,172,332**	429,979,137
DUE FROM AFFILIATES, net - Note L	**-**	243,075
OTHER ASSETS		
Deferred financing costs, net	**1,769,130**	1,943,148
Goodwill, net of accumulated amortization of approximately $7,387,000 in 2010	**-**	4,173,016
Other	**2,129,583**	1,948,307
TOTAL OTHER ASSETS	**3,898,713**	8,064,471
TOTAL ASSETS	$ **934,950,982**	$ 930,469,881

wp 1

	September 30, 2011	2010
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long-term debt	$ 2,443,144	$ 2,089,953
Accrued interest	3,912,885	3,891,883
Accounts payable and other accrued expenses	20,061,072	24,750,001
Accrued salaries, benefits, compensated absences and amounts withheld	18,306,489	24,028,289
Estimated third party payor settlements	9,086,619	7,092,755
TOTAL CURRENT LIABILITIES	53,810,209	61,852,881
LONG-TERM DEBT, less current portion	600,641,557	600,958,037
OTHER LONG-TERM LIABILITIES		
Deferred compensation	8,696,177	8,502,607
Estimated fair value of interest rate swaps	8,307,528	6,522,890
TOTAL OTHER LONG-TERM LIABILITIES	17,003,705	15,025,497
TOTAL LIABILITIES	671,455,471	677,836,415
COMMITMENTS AND CONTINGENCIES - NOTES I AND O		
NET ASSETS		
Unrestricted	263,495,511	252,633,466
TOTAL NET ASSETS	263,495,511	252,633,466
	wp 1	
TOTAL LIABILITIES AND NET ASSETS	$ 934,950,982	$ 930,469,881
	wp 1	

See notes to financial statements.

NORTHEAST GEORGIA MEDICAL CENTER, INC.
(A Controlled Affiliate of Northeast Georgia Health System, Inc.)

Statements of Operations and Changes in Net Assets

	Year Ended September 30, 2011		2010
Unrestricted revenue:			
Net patient service revenue	$ 592,295,122		$ 580,796,089
Other operating revenue	10,103,181		8,854,547
TOTAL OPERATING REVENUES	602,398,303	①	589,650,636
Expenses:			
Salaries and wages	188,360,545		179,181,832
Employee benefits	49,553,912		47,314,561
Physicians' fees	7,719,963		10,352,116
Utilities	7,433,671		7,448,861
Supplies	98,731,063		95,608,848
Legal, consulting and professional fees	695,509		1,400,038
Contracted outside services	25,113,820		25,774,403
Insurance	3,113,772		6,310,362
Interest	30,408,797		23,790,830
Management fees	17,341,144		18,418,787
Depreciation and amortization	41,541,752		42,119,252
Estimated provision for bad debts	56,527,810		48,018,620
Other operating expenses	29,378,683		25,611,131
TOTAL OPERATING EXPENSES	555,920,441	wp F-3	531,349,641
INCOME FROM OPERATIONS	46,477,862		58,300,995
Nonoperating gains (losses):			
Donations from affiliates	1,167,808		1,377,840
Gain from investments, net	30,608,006		2,482,371
Loss on early extinguishment of long-term debt	(272,104)		(4,854,509)
Gain (loss) on sale of property, plant and equipment, net	139,434		(282,773)
Change in estimated fair value of interest rate swaps	(1,784,638)		13,460,138
Miscellaneous, net	(305,308)		(66,413)
NET NONOPERATING GAINS	29,553,198	②	12,116,654
EXCESS OF REVENUE AND GAINS OVER EXPENSES AND LOSSES BEFORE CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	76,031,060	wp 1	70,417,649

Σ① **631,951,501 Total Rev. per AFS** wp F-3

	Year Ended September 30, 2011	2010
Cumulative effect of change in accounting principle	(4,173,016)	-
EXCESS OF REVENUE AND GAINS OVER EXPENSES AND LOSSES AFTER CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	71,858,044	70,417,649
Other changes in unrestricted net assets:		
Transfers of equity to affiliates, net	(27,721,141)	(27,917,446)
Change in net unrealized gains/losses on investments and assets limited as to use	(33,274,858)	22,543,941
TOTAL OTHER CHANGES IN UNRESTRICTED NET ASSETS	(60,995,999)	(5,373,505)
INCREASE IN UNRESTRICTED NET ASSETS	10,862,045 R	65,044,144
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	252,633,466	187,589,322
UNRESTRICTED NET ASSETS, END OF YEAR	$ 263,495,511	$ 252,633,466

See notes to financial statements.

NORTHEAST GEORGIA MEDICAL CENTER, INC.
(A Controlled Affiliate of Northeast Georgia Health System, Inc.)

Statements of Cash Flows

	Year Ended September 30,	
	2011	*2010*
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	$ **10,862,045**	$ 65,044,144
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	**41,541,752**	42,119,252
Estimated provision for bad debts	**56,527,810**	48,018,620
(Gain) loss on sale of property, plant and equipment	**(139,434)**	282,773
(Gains) losses on sale of investments and assets limited as to use	**(19,433,275)**	7,011,873
Loss on early extinguishment of long-term debt	**272,104**	4,854,509
Change in net unrealized gains/losses on investments and assets limited as to use	**33,274,858**	(22,543,941)
Change in estimated fair value of interest rate swaps	**1,784,638**	(13,460,138)
Transfers of equity to affiliates, net	**27,721,141**	27,917,446
Cumulative effect of change in accounting principle	**4,173,016**	-
Changes in assets and liabilities:		
Patient accounts receivable	**(60,442,359)**	(58,587,133)
Inventory of supplies	**(940,292)**	(147,559)
Other current assets	**(96,315)**	(52,618)
Other long-term assets	**(181,276)**	(199,092)
Accrued interest	**21,002**	2,550,342
Accounts payable and other accrued expenses and other long-term liabilities	**(4,717,329)**	(569,046)
Accrued salaries, benefits, compensated absences and amounts withheld	**(5,721,800)**	1,191,164
Estimated third-party payor settlements	**1,993,864**	(423,849)
Total adjustments	**75,638,105**	37,962,603
NET CASH PROVIDED BY OPERATING ACTIVITIES	**86,500,150**	103,006,747
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	**(24,173,911)**	(30,146,508)
Proceeds from sales of property, plant and equipment	**484,771**	250,002
Purchases of investments and assets limited as to use	**(208,738,459)**	(274,420,942)
Proceeds from maturities and sales of investments and assets limited as to use	**162,753,984**	180,655,802
Advances to affiliates	**(27,478,066)**	(27,715,604)
NET CASH USED IN INVESTING ACTIVITIES	**(97,151,681)**	(151,377,250)

	Year Ended September 30, 2011	2010
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable and long-term debt, net of issuance costs and discounts	**46,523,025**	550,134,720
Payments to escrow to relieve long-term debt	**(46,425,000)**	(452,065,000)
Principal payments on long-term obligations	**(2,843,803)**	(2,309,099)
Payments to terminate interest rate swaps, net	**-**	(35,575,000)
NET CASH PROVIDED BY (USED) IN FINANCING ACTIVITIES	**(2,745,778)**	60,185,621
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(13,397,309)**	11,815,118
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**17,521,564**	5,706,446
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 4,124,255**	$ 17,521,564
SUPPLEMENTAL INFORMATION:		
Cash paid during the year for interest	**$ 31,257,752**	$ 21,608,473
SUPPLEMENTAL SCHEDULE OF NON-CASH ACTIVITIES:		
Equipment purchases financed with capital leases	**$ 2,519,968**	$ 1,870,907
Property, plant and equipment received and accrued in payables	**$ 580,591**	$ 255,594

See notes to financial statements.

NOTE A--ORGANIZATION AND OPERATIONS

Northeast Georgia Medical Center, Inc. (NGMC), located in Gainesville, Georgia, was formed to serve and promote the public health of residents of counties in northeastern Georgia and operates a 557 bed acute care hospital and its related facilities for the benefit of the general public

Northeast Georgia Health System, Inc. (NGHS) is the parent company to NGMC. The financial statements of NGMC are included in the consolidated financial statements of NGHS and affiliates. The accompanying financial statements reflect the financial position and operating results of NGMC and include various allocations of expenses, gains, losses and associated liabilities from NGHS. Certain disclosures herein relate to NGHS as a whole (rather than just NGMC) and are identified as NGHS disclosures in the notes to the financial statements. Due to the nature of allocations of NGHS activities and liabilities to NGMC, these financial statements may not reflect the financial position and results of operations of NGMC on a stand-alone basis.

NOTE B--SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Cash and Cash Equivalents: Cash and cash equivalents include cash and short-term time deposits, repurchase agreements and commercial paper with maturities of less than three months when purchased, excluding amounts included as assets limited as to use or in the long-term investment portfolio.

Investments and Assets Limited as to Use: Investments and assets limited as to use are stated at fair value based on quoted market prices. The portion of investments related to financial instruments with remaining maturities of less than one year and the portion of assets limited as to use that is required to satisfy current obligations are classified as current assets.

Assets limited as to use include assets held by trustees under bond indenture agreements, assets designated by the Board for designated purposes, and assets held under deferred compensation arrangements.

Interest and dividend investment income on proceeds of borrowings that are held by trustees, to the extent not capitalized, is reported as a part of other operating revenue. Investment income

NOTE B--SIGNIFICANT ACCOUNTING POLICIES - Continued

and losses on all other investments and assets limited as to use (including gains and losses on sales of proceeds of borrowings that are held by trustees) is reported, net of investment expenses, as nonoperating gains and losses. The cost of securities sold is determined on the specific identification method, with net realized gains and losses reported as nonoperating gains and losses.

Unrealized gains and losses on investments and assets limited as to use, except any "other-than-temporary" investment losses, are recorded as other changes in unrestricted net assets.

Management annually evaluates the investment portfolio, including any assets limited as to use, and recognizes any "other-than-temporary" investment losses as deductions from *Excess of Revenue and Gains over Expenses and Losses* as described below. Management's evaluation considers the amount of any decline in fair value, as well as the time period of any such decline.

Inventory of Supplies: Inventory consists of medical and other supplies and is stated at the lower of cost or market, with cost determined by the first-in, first-out method.

Property, Plant and Equipment and Depreciation: Property, plant and equipment is stated at cost, net of accumulated depreciation. Depreciation is computed by the straight-line method over the estimated useful lives of the assets using the half-year method. The depreciable lives range from 20 to 30 years for buildings and from 3 to 15 years for equipment. Expenditures for maintenance, repairs and minor renewals are charged to operations as incurred. Expenditures for betterments and major renewals are capitalized. Interest cost incurred on specific borrowings during the period of construction of capital assets, net of related income, is capitalized as a component of the cost of the asset. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the financial statements. Any resulting gain or loss is included in nonoperating gains and losses.

NGMC periodically reviews property, plant and equipment for indicators of potential impairment of long-lived assets and, if such review indicates carrying amounts may not be recoverable, adjusts the carrying value and recognizes a loss. Management does not believe that any unrecognized impairment exists at September 30, 2011.

Deferred Financing Costs: Deferred financing costs relate to NGMC's long-term debt and are amortized over the terms of the respective issues in a manner that approximates the effective interest method.

Goodwill: Goodwill at September 30, 2010 represented the excess purchase price over the assigned fair value of identifiable net assets acquired in the acquisition of businesses. Prior to

NOTE B--SIGNIFICANT ACCOUNTING POLICIES - Continued

2011, goodwill was being amortized on a straight-line basis over 15 years and was subject to impairment review whenever events or circumstances indicated that the carrying amount of the asset may not be recoverable. During 2011, the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 350, *Intangibles – Goodwill and Other* (ASC 350), became effective as it relates to the System. ASC 350 implemented a non-amortization approach to goodwill for non-profit entities with the requirement that goodwill be tested for impairment on an annual basis. During the first six months of the 2011 year, NGMC management performed a transitional impairment test on goodwill and elected to write-off the remaining goodwill balance. In accordance with the provisions of ASC 350, the loss resulting from the transitional impairment test is presented as a cumulative effect of change in accounting principle in the accompanying Statement of Operations and Changes in Net Assets for the year ended September 30, 2011.

Excess of Revenue and Gains Over Expenses and Losses: The Statements of Operations and Changes in Net Assets includes *Excess of Revenue and Gains Over Expenses and Losses*. Changes in unrestricted net assets which are excluded from *Excess of Revenue and Gains Over Expenses and Losses*, consistent with industry practice, include changes in net unrealized gains and losses (except for other-than-temporary impairments) on investments other than trading securities, transfers of assets to and from affiliates for other than goods or services, and contributions of long-lived assets, including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets.

Transactions deemed by management to be ongoing, major, or central to the provision of healthcare services of NGMC are reported as operating revenues and expenses. Peripheral or incidental transactions are reported as nonoperating gains (losses).

Charity Care: NGMC provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Generally, care provided for a patient whose household income is at or below 300 percent of the federal poverty guidelines is approved for charity care. Because NGMC does not pursue collection of amounts determined to qualify as charity care, these amounts are not reported as revenue.

Net Patient Service Revenue: Net patient service revenue is reported on the accrual basis in the period in which services are provided at the estimated net realizable amounts from patients, third-party payors and others, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

NOTE B--SIGNIFICANT ACCOUNTING POLICIES - Continued

Patient accounts receivable are reported net of both an estimated allowance for uncollectible receivables and an estimated allowance for contractual adjustments. The estimated contractual allowance represents the difference between established billing rates and estimated reimbursement from Medicare, Medicaid and other third-party payment programs. NGMC records an estimated reserve for uncollectible receivables based upon prior collection history for groups of receivables, known collection risks and other environmental factors, including the age of the receivables. NGMC's policy does not require collateral or other security for patient accounts receivable. NGMC routinely accepts assignment of, or is otherwise entitled to receive, patient benefits payable under health insurance programs, plans or policies. The estimated provision for bad debts is reported as an operating expense.

Income Taxes: NGMC is classified as an organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code As such, no provision for income taxes has been made in the accompanying financial statements. At September 30, 2011, management does not believe NGMC holds any uncertain tax positions that would require financial statement recognition or disclosure under generally accepted accounting principles. It is the NGMC's policy to recognize interest and/or penalties related to income tax matters as an operating expense where applicable.

Subsequent Events: Management has evaluated all events or transactions that occurred after September 30, 2011 through January 20, 2012, the date in which the financial statements were available to be issued. During this period, management did not note any material recognizable subsequent events that required recognition or disclosure in the accompanying financial statements.

New Accounting Pronouncements: In August 2010, the FASB issued Accounting Standard Update (ASU) 2010-23, *Measuring Charity Care for Disclosure*, which amends FASB ASC 954, *Health Care Entities*. This Update provides amendments that require cost to be used as the measurement basis for charity care disclosure purposes and that cost be identified as the direct and indirect costs of providing the charity care. The amendments in this Update also require disclosure of the method used to identify or determine such costs. This Update is effective for fiscal years beginning after December 15, 2010 and should be applied retrospectively to all periods. Management of NGMC is evaluating the impact of this Update and will adopt this Update as required.

Also, in August 2010, the FASB issued ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, which provides amendments which clarify that a health care entity should not net insurance recoveries against a related claim liability. Additionally, the amount of the claim liability should be determined without consideration of insurance recoveries. Prior to this Update, health care entities were permitted to net insurance recoveries against the

NOTE B--SIGNIFICANT ACCOUNTING POLICIES - Continued

accrual of malpractice claims or similar liabilities. This Update is effective for fiscal years beginning after December 15, 2010, and a cumulative-effect adjustment should be recognized in opening net assets in the period of adoption if a difference exists between any liabilities and insurance receivables recorded as a result of applying the amendments in this Update. Management of NGMC is evaluating the impact of this Update on the financial statements but does not anticipate any material impact on operations or net assets upon adoption.

In July 2011, the FASB issued ASU 2011-07, *Healthcare Entities (Topic 954): Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and Allowance for Doubtful Accounts for Certain Healthcare Entities*, which will require certain healthcare entities to reclassify the provision for bad debts associated with providing patient care from an operating expense to a deduction from net patient service revenue in the statement of operations and changes in net assets. Additionally, ASU 2011-07 requires enhanced disclosures about an entity's policies for recognizing revenue and assessing bad debts and qualitative and quantitative information about changes in the allowance for doubtful accounts. This Update is effective for fiscal years beginning after December 15, 2011 and NGMC intends to adopt ASU 2011-07 in fiscal year 2013.

NOTE C--NET PATIENT SERVICE REVENUE

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue as presented in the Statements of Operations and Changes in Net Assets for the years ending September 30, 2011 and 2010 is as follows:

	2011	*2010*
Gross patient service revenue	$ 1,668,838,753	$ 1,542,905,551
Less contractual adjustments	(1,076,543,631)	(962,109,462)
Net patient service revenue	$ 592,295,122	$ 580,796,089

Amounts of charges related to charity care were approximately $94,030,832 and $75,879,107 in 2011 and 2010, respectively, which are net of indigent care trust fund proceeds of $6,222,217 and $8,308,587 in 2011 and 2010, respectively. Under an agreement with the Georgia Department of Community Health Division of Medical Assistance (Georgia Medicaid), NGMC pays into an indigent care trust fund and is then eligible to receive indigent care trust fund payments.

In addition to the patient charity care services, NGMC provides a number of other services to benefit the impoverished for which little or no payment is received. Medicare, Medicaid and

NOTE C--NET PATIENT SERVICE REVENUE - Continued

State indigent programs do not cover the full cost of providing care to beneficiaries of those programs. NGMC also provides services to the community at large for which it receives little or no payment.

Estimated contractual adjustments for the years ended September 30, 2011 and 2010 include approximately $20,061,000 and $19,280,000, respectively, related to discounts provided to self-insured patients in order to facilitate prompt payment.

NOTE D--THIRD-PARTY PAYOR AGREEMENTS

NGMC provides services to patients under contractual arrangements with the Medicare and Medicaid programs. Certain amounts earned under these contractual arrangements are subject to audit and final determination by fiscal intermediaries and other appropriate governmental authorities or their agents. Activity with respect to audits of governmental programs has increased, such as the Medicare Recovery Audit Contractor (RAC) program, and is expected to increase in the future. In the opinion of management, adequate provision has been made for any adjustments which may result from such reviews. However, due to the uncertainties involved, it is at least reasonably possible that management's estimates will change in the future. In addition, participation in these programs subject NGMC to significant rules and regulations; failure to adhere to such could result in regulatory investigations, fines, and penalties. A summary of the payment arrangements with major third-party payors follows:

Medicare: Acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates based upon diagnostic related group assignments, which are determined by the patient's clinical diagnosis and medical procedures utilized. NGMC receives additional payments from Medicare based on the provision of services to a disproportionate share of Medicaid and other low income patients. The Medicare program reimburses for outpatient services under a prospective method utilizing an ambulatory payment classification system which classifies outpatient services based upon medical procedures and diagnosis codes. Certain nonacute services and defined capital costs are paid based on a cost reimbursement methodology. NGMC is paid at a tentative rate with final settlement determined after submission of their annual cost reports and audits thereof by the Medicare fiscal intermediary. NGMC's Medicare cost reports have been audited by the Medicare fiscal intermediary through 2006. Any differences between the estimated amounts and the ultimate settlements are recorded as additions to, or deductions from, net patient service revenue in the year of settlement.

Medicaid: Inpatient acute care services rendered to Medicaid program beneficiaries are paid based on prospectively determined rates per discharge using diagnosis related group

NOTE D--THIRD-PARTY PAYOR AGREEMENTS - Continued

assignments. Outpatient services are paid under a cost reimbursement methodology at a tentative rate with final settlement determined after submission of annual cost reports by NGMC and audits thereof by the Georgia Department of Community Health. NGMC's Medicaid cost reports have been audited through 2006. Any differences between the estimated amounts and the ultimate settlements are recorded as additions to, or deductions from, net patient service revenue in the year of settlement.

Other: NGMC has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payments under these agreements includes discounts from established charges and prospectively determined daily rates or rates per discharge.

In January 2001, the Georgia Department of Community Health invited NGMC to participate in its Upper Payment Limit (UPL) program. The UPL program allows for non-state local government hospitals and nursing homes to be paid 100 percent of the amount Medicare would pay for similar Medicaid services. During fiscal years 2011 and 2010, NGMC received approximately $4,190,000 and $2,426,000, respectively, from the UPL program. These amounts are included in net patient service revenue.

Net patient accounts receivable from the Medicare and Medicaid programs was approximately 41% and 14%, respectively, of total net patient accounts receivable at September 30, 2011, and approximately 39% and 13%, respectively, at September 30, 2010.

Effective July 1, 2010, the State of Georgia enacted legislation known as the Provider Payment Agreement Act (the Act) whereby certain hospitals, as defined in the Act, are assessed a "provider payment" in the amount of 1.45% of their net patient revenue, as defined in the Act. The payments are to be used for the sole purpose of obtaining federal financial participation for medical assistance payments to providers on behalf of Medicaid recipients and are considered a community benefit by providers. Approximately $6,573,000 and $1,609,000 relating to the Act are included in other expenses in the accompanying Statements of Operations and Changes in Net Assets for the years ended September 30, 2011 and 2010, respectively.

In March 2010, Congress adopted comprehensive healthcare and insurance legislation through the issuance of the Patient Care Protection and Affordable Care Act and Health Care and Education Reconciliation Act. The legislation, among other matters, is designated to expand access to coverage to substantially all citizens by 2019 through a combination of public program expansion and private industry health insurance. Changes to existing Medicaid coverage and payments are also expected to occur as a result of this legislation. Implementing regulations are

NOTE D--THIRD-PARTY PAYOR AGREEMENTS - Continued

generally required for these legislative acts, which are to be adopted over a period of years and, accordingly, the specific impact of any future regulations is not determinable.

NOTE E--INVESTMENTS AND ASSETS LIMITED AS TO USE

A portion of NGMC's assets limited as to use are maintained in shared accounts with the assets of NGHS and other subsidiaries of NGHS and are stated at fair value based on quoted market prices. A pro-rata share of investment gains and losses is allocated to NGMC based on its percentage of assets in the shared accounts. The composition of the NGMC's share of assets limited as to use at September 30 is as follows:

	2011	*2010*
	wp N-02.01	
Indenture agreements - held by trustees:		
Cash and money market funds	$ 4,820,924	$ 21,629,245
Corporate bonds	53,218,423	46,032,176
Accrued Income	773,248	611,132
	58,812,595	68,272,553
By Board for designated purposes:		
Cash and money market funds	142,300	121,140
Certificate of deposit	227,196	227,196
	369,496	348,336
Other:		
Cash and money market funds	1,995,426	2,071,248
Mutual funds	5,595,624	5,101,744
Corporate bonds	1,405	346,512
Equity investments	52,650	983,103
Other	1,051,072	-
	8,696,177	8,502,607
	67,878,268	77,123,496
Less assets limited as to use that are required for current obligations	(3,435,449)	(2,892,209)
	$ 64,442,819	$ 74,231,287

NOTE E--INVESTMENTS AND ASSETS LIMITED AS TO USE - Continued

The composition of NGMC investments at September 30, 2011 and 2010 is as follows:

	2011 wp N-02.01	*2010*
Cash and money market funds	$ 39,849,695	$ 5,140,194
U.S. Treasury and agency obligations	5,879,144	5,231,752
Corporate bonds	97,958,164	100,620,104
Foreign bonds	768,900	831,214
Equity investments	214,688,369	203,520,658
Mutual funds	8,849,808	11,266,422
Accrued income	1,335,464	1,331,080
	369,329,544	327,941,424
Less current investments	(39,849,695)	(5,140,193)
	$ 329,479,849	$ 322,801,231

The age of unrealized losses on investments and assets limited as to use that are temporarily impaired for NGHS as a whole are as follows at September 30, 2011:

	Less than 12 months		*Greater than 12 months*		*Total*	
	Fair Value	*Unrealized Losses*	*Fair Value*	*Unrealized Losses*	*Fair Value*	*Unrealized Losses*
Corporate bonds	$ 13,188,111	$ (259,934)	$ 13,335,010	$ (686,736)	$ 26,525,121	$ (946,670)
Equity investments	154,510,763	(29,347,792)	35,750,197	(12,923,529)	190,260,960	(42,271,321)
Other securities	736,740	(974,649)	3,587,241	(1,536,817)	4,323,981	(2,511,466)
Total temporarily impaired securities	$ 168,435,614	$ (30,582,375)	$ 52,672,448	$ (15,147,082)	$ 221,108,062	$ (45,729,457)

The age of unrealized losses on investments and assets limited as to use that are temporarily impaired for NGHS as a whole are as follows at September 30, 2010:

	Less than 12 months		*Greater than 12 months*		*Total*	
	Fair Value	*Unrealized Losses*	*Fair Value*	*Unrealized Losses*	*Fair Value*	*Unrealized Losses*
Corporate bonds	$ 6,676,481	$ (76,897)	$ 9,497,582	$ (225,747)	$ 16,174,063	$ (302,644)
Equity investments	18,860,688	(1,870,492)	37,528,183	(7,592,255)	56,388,871	(9,462,747)
Other securities	1,088,147	(13,228)	29,794,815	(7,407,929)	30,882,962	(7,421,157)
Total temporarily impaired securities	$ 26,625,316	$ (1,960,617)	$ 76,820,580	$ (15,225,931)	$ 103,445,896	$ (17,186,548)

NOTE E--INVESTMENTS AND ASSETS LIMITED AS TO USE - Continued

NGMC has recorded a loss of approximately $3,833,000 in 2011 for investments and assets limited as to use where management determined that the unrealized loss was other-than-temporary. There was no other-than-temporary loss recognized during 2010. The remaining NGMC investment portfolio has a net unrealized loss of approximately $27,170,000 as of September 30, 2011 while the portfolio had a net unrealized gain of approximately $6,100,000 as of September 30, 2010. Management estimates, based upon their analysis, that remaining investments and assets limited as to use with unrealized losses as of September 30, 2011 are not other-than-temporarily impaired and, as such, no additional other-than-temporary impairment loss has been recognized in the accompanying Statements of Operations and Changes in Net Assets. Such analysis included industry outlooks, specific company forecasts, and input from their investment manager. A decline in the fair value of any available-for-sale security below cost that is deemed to be other-than-temporary results in a reduction in the carrying amount to fair value.

To determine whether impairment is other-than-temporary for equity securities, management considers such factors as the length of time and extent to which market value has been less than cost; the financial condition and prospects of the issuer; and the intent and ability of the System to retain its investment in the issuer for a period of time sufficient to allow for recovery. To determine whether impairment is other-than-temporary for debt securities, management considers whether the System expects to recover the entire amortized cost basis of the security by reviewing the present value of the future cash flows associated with the security. The shortfall of the present value of the cash flows expected to be collected in relation to the amortized cost basis is referred to as a credit loss. If a credit loss is identified, management then considers whether it is more-likely-than-not that the company will be required to sell the security, prior to recovery. If management concludes that it is more-likely-than-not that it will be required to sell the security, then the security is not other-than-temporarily impaired and the shortfall is recorded as a component of net assets. If the security is determined to be other-than-temporarily impaired. the credit loss is recognized as a charge to non-operating expense and a new cost basis for the security is established. While management estimates that no additional other-than-temporary impairment exists, it is reasonably possible that management's estimate will change in the near term.

Investment income on proceeds of borrowings that are held by trustees, to the extent not capitalized, was $2,416,079 and $1,248,654 for the years ended September 30, 2011 and 2010, respectively, and is included as a part of other operating revenue in the accompanying Statements of Operations and Changes in Net Assets. The net gain (loss) from all other investments and assets limited as to use for the years ended September 30, 2011 and 2010, respectively, was comprised of the following:

NOTE E--INVESTMENTS AND ASSETS LIMITED AS TO USE - Continued

	2011	*2010*
Interest and dividend income	$ 12,140,449	$ 10,129,635
Other than temporary impairment losses	(3,832,694)	-
Net realized gains (losses)	23,265,969	(7,011,873)
Investment expense	(965,718)	(635,391)
Net investment gain	$ 30,608,006	$ 2,482,371

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risk factors in the near term could materially affect the amounts reported in the financial statements.

NOTE F--PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment and related accumulated depreciation at September 30, 2011 and 2010 are as follows:

	2011	*2010*
Land	$ 8,503,587	$ 8,503,587
Land improvements	9,952,635	9,742,931
Building and building equipment	375,877,231	373,503,471
Fixed equipment	78,136,053	77,086,105
Departmental equipment	296,314,152	274,334,993
Capital leases	9,457,780	7,244,013
Vehicles	1,893,143	1,790,281
	780,134,581	752,205,381
Less accumulated depreciation	(369,356,334)	(330,395,611)
	410,778,247	421,809,770
Construction in progress - Note O	4,394,085	8,169,367
	$ 415,172,332	$ 429,979,137

Interest expense of $869,957 and interest income of $340,334 were capitalized as part of construction in progress during the year ended September 30, 2011. Interest expense of

603,084,701		
(227,024)	**Note Payable**	
(2,858,035)	**Capital Lease**	
599,999,642	**Tax-exempt bonds**	wp 1

NOTE F--PROPERTY, PLANT AND EQUIPMENT - Continued

$367,985 and interest income of $77,556 were capitalized as part of construction in progress during the year ended September 30, 2010.

NOTE G--LONG-TERM DEBT

A summary of long-term debt at September 30, 2011 and 2010 is as follows:

	2011	*2010*
Revenue Anticipation Certificates, Series 2011A		
Variable rate certificates; sinking fund payments due annually through May 2026	$ 46,625,000	$ -
Revenue Anticipation Certificates, Series 2010A		
Interest rates ranging from 4.00% to 5.50%; sinking fund payments due annually through February 2045	319,830,000	319,830,000
Less unamortized discount	(13,327,794)	(13,726,631)
Revenue Anticipation Certificates, Series 2010B		
Interest rates ranging from 3.50% to 5.50%; sinking fund payments due annually through February 2045	250,000,000	250,000,000
Less unamortized discount	(3,127,564)	(3,221,157)
Revenue Anticipation Certificates, Series 2008A		
Variable rate certificates; all outstanding principal redeemed during 2011	-	47,650,000
Less unamortized discount	-	(66,321)
Other notes payable at rates ranging from 4.15% to 6.85%	227,024	190,450
Capitalized leases, at 5%	2,858,035	2,391,649
	603,084,701	603,047,990
Less current portion	(2,443,144)	(2,089,953)
	$ 600,641,557	$ 600,958,037

In August 2011, the Hospital Authority of Hall County and the City of Gainesville (the Authority) issued Revenue Anticipation Certificates Series 2011A in the aggregate principal amount of $46,625,000 pursuant to a trust indenture. The proceeds of the Series 2011A Certificates were loaned to NGHS under a Loan Agreement dated August 1, 2011. NGHS and NGMC are collectively the Obligated Group under the Loan Agreement.

NOTE G--LONG-TERM DEBT - Continued

Proceeds from the sale of the Series 2011A Certificates were used to refund all outstanding principal and interest relating to the Authority's previously issued Revenue Anticipation Certificates Series 2008A (discussed below) and to pay the costs of issuing the Series 2011A Certificates. The Series 2011A Certificates bear interest daily at rate of 67% of the one-month London Inter-Bank Offered Rate (LIBOR) plus a spread of 67 basis points. The spread of 67 basis points will be increased if the credit rating assigned to NGHS is downgraded. There has not been a downgrade of NGHS' credit rating as of September 30, 2011.

The Series 2011A Certificates are subject to mandatory tender for purchase upon election of the holder on the Initial Indexed Put Date or any Annual Indexed Put Date thereafter as defined in the trust indenture. The Initial Indexed Put Date is defined as being October 1, 2016 while the Annual Indexed Put Date is defined as being the date that is one year after October 1, 2016 and thereafter the date in each year that is one year after the previous Annual Indexed Put Date. The Initial Indexed Put Date and the Annual Indexed Put Date are hereinafter referred to as the "Indexed Put Date." The Series 2011A Certificates are not subject to mandatory tender on any Indexed Put Date if written notice is received from the holder prior to the Indexed Put Date that the holder has elected not to tender the Series 2011A Certificates for purchase on such date.

The Series 2011A Certificates are due on May 15, 2026 and are subject to mandatory sinking fund redemption prior to maturity in amounts ranging from $1,315,000 on May 15, 2012 to $5,400,000 on May 15, 2025 with a final maturity of $2,750,000 on May 15, 2026.

Provided there is no continuing event of default under the terms of the trust indenture, the Series 2011A Certificates are subject to optional redemption prior to stated maturity by the Authority, at the direction of NGHS, in whole or in part, at 100% of the principal amount to be redeemed plus accrued interest as provided in the indenture.

Funds from the proceeds of the 2011A Certificates were deposited with the trustee in an amount sufficient to pay the principal and accrued interest on the previously issued 2008A Certificates, which were called for early redemption on August 26, 2011. As a result, the obligations of the 2008A Certificates were irrevocably relieved. A loss on early extinguishment of long-term debt of $272,104 is recognized in the accompanying 2011 Statement of Operations and Changes in Net Assets as a result of these transactions.

In February 2010, the Authority issued Revenue Anticipation Certificates Series 2010A in the aggregate principal amount of $319,830,000 pursuant to a trust indenture. Also in February 2010, the Authority issued Revenue Anticipation Certificates Series 2010B in the aggregate amount of $250,000,000 pursuant to a trust indenture. The Series 2010A and 2010B Certificates are collectively referred to as the "2010 Certificates." The proceeds of the 2010 Certificates

NOTE G--LONG-TERM DEBT - Continued

were loaned to NGHS under a Loan Agreement dated February 1, 2010. NGHS and NGMC are collectively the Obligated Group under the Loan Agreement.

Proceeds from the sale of the 2010 Certificates were used to refund all outstanding principal and interest relating to Revenue Anticipation Certificates Series 2007G and Series 2008B-H which had previously been issued by the Authority and were called for early redemption during 2010; to finance or refinance or reimburse costs of planning, designing, constructing, acquiring, and equipping additions and improvements to the NGHS' health care facilities; to finance certain interest rate swap termination payments (discussed below); to fund two separate debt service reserve funds; to pay the costs of issuing the 2010 Certificates; and to pay the costs of refunding the Series 2007G Certificates and Series 2008B-H Certificates.

The Series 2010A Certificates consist of $17,485,000 term certificates maturing February 15, 2025 bearing interest at 4.75% and subject to mandatory sinking fund redemption payments beginning February 15, 2022 which range from $3,405,000 to $4,935,000; $47,625,000 term certificates maturing February 15, 2030 bearing interest at 5.0% and subject to mandatory sinking fund redemption payments beginning February 15, 2025 which range from $1,795,000 to $10,415,000; $45,200,000 term certificates maturing February 15, 2034 bearing interest at 5.25% and subject to mandatory sinking fund redemption payments beginning February 15, 2031 which range from $10,150,000 to $12,300,000; $97,055,000 term certificates maturing February 15, 2040 bearing interest at 5.375% and subject to mandatory sinking fund redemption payments beginning February 15, 2034 which range from $2,815,000 to $17,890,000; $85,000,000 term certificates maturing February 15, 2045 bearing interest at 5.5% and subject to mandatory sinking fund redemption payments beginning February 15, 2041 which range from $15,180,000 to $18,920,000; and $27,465,000 of serial certificates which are payable each February 15 starting February 15, 2016 and concluding February 15, 2021. The outstanding serial certificates bear interest at rates ranging from 4.0% to 5.0% and have annual maturities ranging from $355,000 to $4,960,000.

The Series 2010A Certificates maturing on or prior to February 15, 2020 are not subject to optional redemption prior to maturity. The Series 2010A Certificates maturing on or after February 15, 2021 (other than the Series 2010A Certificates maturing on February 15, 2025 and the Series 2010A Certificates maturing on February 15, 2034) are subject to optional redemption by the Authority, at the direction of NGHS, on or after February 15, 2020, in whole or in part, at any time, at a redemption price of par, plus accrued interest to the redemption date. The Series 2010A Certificates maturing on February 15, 2025 and the Series 2010A Certificates maturing on February 15, 2034 are subject to optional redemption by the Authority, at the direction of NGHS, on or after February 15, 2015, in whole or in part, at any time, at a redemption price of par, plus accrued interest to the redemption date.

NOTE G--LONG-TERM DEBT - Continued

The Series 2010B Certificates consist of $7,370,000 term certificates maturing February 15, 2025 bearing interest at 5.0% and subject to mandatory sinking fund redemption payments beginning February 15, 2023 which range from $2,255,000 to $2,665,000; $5,500,000 term certificates maturing February 15, 2025 bearing interest at 4.5% and subject to mandatory sinking fund redemption payments beginning February 15, 2023 which range from $1,815,000 to $1,850,000; $14,000,000 term certificates maturing February 15, 2029 bearing interest at 5.5% and subject to mandatory sinking fund redemption payments beginning February 15, 2026 which range from $2,780,000 to $3,950,000; $16,325,000 term certificates maturing February 15, 2030 bearing interest at 4.75% and subject to mandatory sinking fund redemption payments beginning February 15, 2026 which range from $200,000 to $4,495,000; $29,470,000 term certificates maturing February 15, 2033 bearing interest at 5.0% and subject to mandatory sinking fund redemption payments beginning February 15, 2031 which range from $9,335,000 to $10,320,000; $18,495,000 term certificates maturing February 15, 2035 bearing interest at 5.125% and subject to mandatory sinking fund redemption payments beginning February 15, 2034 which range from $7,585,000 to $10,910,000; $28,575,000 term certificates maturing February 15, 2037 bearing interest at 5.25% and subject to mandatory sinking fund redemption payments beginning February 15, 2035 which range from $3,845,000 to $12,690,000; $42,245,000 term certificates maturing February 15, 2040 bearing interest at 5.125% and subject to mandatory sinking fund redemption payments beginning February 15, 2038 which range from $13,365,000 to $14,810,000; $52,000,000 term certificates maturing February 15, 2045 bearing interest at 5.25% and subject to mandatory sinking fund redemption payments beginning February 15, 2041 which range from $9,335,000 to $11,520,000; $27,340,000 of serial certificates which are payable each February 15 starting February 15, 2016 and concluding February 15, 2022 bearing interest at rates ranging from 3.5% to 5.0% and having annual maturities ranging from $3,530,000 to $4,200,000; and $8,680,000 of serial certificates which bear interest at 5.0% and are payable on February 15, 2030 when the certificates mature.

The Series 2010B Certificates maturing on or prior to February 15, 2020 are not subject to optional redemption prior to maturity. The Series 2010B Certificates maturing on or after February 15, 2021 (other than the Series 2010B Certificates maturing on February 15, 2030 and bearing interest at 5% and the Series 2010B Certificates maturing on February 15, 2035) are subject to optional redemption by the Authority, at the direction of NGHS, on or after February 15, 2020, in whole or in part, at any time, at the redemption price of par, plus accrued interest to the redemption date. The Series 2010B Certificates maturing on February 15, 2030 and bearing interest at 5% and the Series 2010B Certificates maturing on February 15, 2035 are subject to optional redemption by the Authority, at the direction of NGHS, on or after February 15, 2015, in whole or in part, at any time, at the redemption price of par plus accrued interest to the redemption date.

NOTE G--LONG-TERM DEBT - Continued

Funds from the proceeds of the 2010 Certificates were deposited with the trustee in an amount sufficient to pay the principal, redemption premium and interest on the Series 2007G Certificates and Series 2008B-H Certificates, all which were called for early redemption on February 18, 2010. As a result, the obligations of these Certificates were irrevocably relieved. A loss on early extinguishment of long-term debt of $4,854,509 is recognized in the accompanying 2010 Statement of Operations and Changes in Net Assets as a result of these transactions.

The members of the Obligated Group have granted the trustees a security interest in the gross revenues of the Obligated Group with respect to the 2010 Certificates and the Series 2011A Certificates. The gross revenues include the revenue derived by the Obligated Group from the operation of NGMC. In addition, the 2010 Certificates are secured by a Leasehold Deed to Secure Debt and Security Agreement from NGMC to the Master Trustee mortgaging certain portions of Northeast Georgia Medical Center and related facilities and equipment. The Series 2010B Certificates are also secured by payments made pursuant to an Intergovernmental Contract between the Authority and Hall County, Georgia.

The trust indentures related to 2010 Certificates require that certain funds be established with trustees. These funds are included in assets limited as to use in the accompanying Balance Sheets and are to be used to pay principal and interest on the Certificates as required. The terms of the various trust indentures also require the maintenance of certain financial ratios and compliance with other covenants. Management believes the Obligated Group was in compliance with all financial and other covenants as of September 30, 2011.

In connection with the formation of NGHS, the Authority entered into a forty-year lease agreement dated October 1, 1986 with NGMC, which was subsequently amended on April 1, 1995 to extend the term to March 31, 2035. The agreement was further amended on October 1, 2006 to extend the term to September 30, 2046. The agreement specifies that the Authority's hospital and related facilities are leased to NGMC, along with an assignment of all other assets of the Authority and an assumption by NGMC of all liabilities of the Authority, including all of the obligations contained in the debt indentures of the Authority. The annual payments under the loan agreements related to the indentures are structured to provide amounts sufficient to pay the maturing installments of principal and interest.

Long-term debt at September 30, 2011 and 2010 also includes notes payable to individuals and financial institutions, as well as capital leases primarily under a master lease agreement for computer equipment, extending through 2014.

NOTE G--LONG-TERM DEBT - Continued

Scheduled maturities of long-term debt, excluding net unamortized original issue discount, and capital lease obligations, excluding interest, for each of the next five years and in the aggregate at September 30, 2011 are as follows:

Year Ending September 30,	
2012	$ 2,935,573
2013	2,463,852
2014	1,691,319
2015	1,530,615
2016	10,268,700
Thereafter	600,650,000
	$ 619,540,059

In connection with the issuance of the Series 2011A Certificates, which refunded the previously issued Series 2008A Certificates, NGHS has entered into an interest rate swap agreement with a bank as counterparty. Under terms of the agreement, NGHS will pay the counterparty a fixed rate of 3.371% based upon a notional amount equal to the principal amount and will receive an amount based on the same notional amount at a floating rate based on a percentage of the one-month LIBOR. Such rates are expected to approximate the variable interest rates on the Series 2011A Certificates.

During 2011, NGHS also entered into a fixed spread basis swap agreement with a bank as counterparty in order to reduce its fixed rate debt service costs through a swap structure that takes on basis risk. The effective date of the basis swap agreement was December 6, 2010 and the swap has a notional value of $100,000,000. NGHS pays an amount equal to the USD-Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index on the notional value and receives the three-month LIBOR plus a spread of 0.62160% until December 1, 2030, when the agreement terminates.

In connection with the issuance of the Series 2007G Certificates and the Series 2008B-H Certificates, NGHS had entered into various interest rate swap agreements with a bank as counterparty. However, in conjunction with the issuance of the 2010 Certificates, each of these interest rate swap agreements were terminated during 2010 and, as a result, NGHS was required to pay termination settlements to the counterparty in the combined amount of $41,625,000 during 2010.

NOTE G--LONG-TERM DEBT - Continued

Additionally, NGHS entered into two separate constant maturity swaps with a bank as counterparty during 2007. Each of these agreements had initial notional amounts of $93,185,000 which were set to reduce on the dates and in the amounts as specified in the agreements. The agreements called for NGHS to pay rates based on a percentage of LIBOR and for the counterparty to pay amounts based on a percentage of the rates as specified in the swap agreements. During 2010, these constant maturity swaps were terminated. As a result, NGHS received termination settlement payments from the counterparty in the combined amount of $6,050,000 during 2010.

Pursuant to the agreement(s) and depending on the movement of the applicable rates, both the System and the counterparty are subject to the requirement of posting collateral in order to secure its respective obligations under the agreements. No collateral was required to be posted by NGHS or the counterparty as of September 30, 2011 or 2010.

The swap agreements have not been designated as hedges and are reflected at estimated fair market value. Liabilities of $8,307,528 and $6,522,890 have been recorded in the accompanying Balance Sheets at September 30, 2011 and 2010, respectively.

NOTE H--PENSION PLAN

NGHS sponsors a defined benefit pension plan. An employee was eligible to participate in the plan following the attainment of age 21 and completion of at least 1,000 hours of service during a calendar year. Generally, NGHS and its affiliates make annual contributions to the plan equal to the amount necessary to meet the minimum funding standards of ERISA. Employees are not permitted to contribute to the plan.

Normal retirement benefits are provided at the later of age 65 or on the participant's fifth anniversary of entering the plan. Early retirement benefits are available at age 55 and completion of ten years of vesting service. Prior to changes in the plan (discussed below), the plan also provided for disability, death and delayed retirement benefits.

The Plan formula changed effective January 1, 2006 so that the benefit is equal to a past service benefit plus a future service benefit. The past service benefit is equal to the benefit earned as of December 31, 2005 under the existing formula. The future service benefit is equal to 1% of earnings for each calendar year in which the participant works at least 1,000 hours.

Effective January 1, 2006, the defined benefit pension plan was closed to new employees. Additionally, the plan no longer provided enhanced disability benefits.

NOTE H--PENSION PLAN - Continued

The following table sets forth the plan's changes in projected benefit obligations, changes in the plan's assets and funded status of the plan as determined by management with assistance from the plan's independent consulting actuary at September 30, 2011 and 2010:

	September 30,	
	2011	*2010*
Change in benefit obligations		
Benefit obligations, beginning of year	$ 140,309,172	$ 122,463,609
Service cost	6,702,081	6,264,856
Interest cost	7,318,175	6,866,988
Benefits paid	(4,402,716)	(4,066,595)
Actuarial loss	(4,650,382)	8,780,314
Benefit obligations, end of year	$ 145,276,330	$ 140,309,172
Change in plan assets		
Fair value of plan assets, beginning of year	$ 113,074,684	$ 91,212,129
Actual return on plan assets	(3,475,504)	5,929,150
Contributions of plan sponsor	10,000,000	20,000,000
Benefits paid	(4,402,716)	(4,066,595)
Fair value of plan assets, end of year	$ 115,196,464	$ 113,074,684
Funded status of the plan at end of year	$ (30,079,866)	$ (27,234,488)

Employer contributions and benefits paid in the above table include only those amounts contributed directly to, or paid directly from, plan assets in fiscal 2011 and 2010, respectively.

The accumulated benefit obligation (ABO) of the plan was $144,722,313 and $139,655,651 at September 30, 2011 and 2010, respectively. In accordance with generally accepted accounting principles, NGHS recognizes the funded status of the plan as an asset or liability and the gains or losses and prior service costs or credits not yet recognized as pension expense as a change in unrestricted net assets.

Amounts recognized in the Consolidated Balance Sheets of NGHS consist of the following:

	September 30,	
	2011	*2010*
Noncurrent liabilities	$ (30,079,866)	$ (27,234,488)

NOTE H--PENSION PLAN - Continued

Amounts recognized in unrestricted net assets of NGHS consist of the following:

	Year Ended September 30,	
	2011	*2010*
Unrecognized net actuarial loss	$ 73,406,882	$ 69,834,419
Unrecognized prior service cost	(11,934,474)	(14,598,419)
	$ 61,472,408	$ 55,236,000

Net periodic pension cost and other amounts recognized in unrestricted net assets of NGHS consist of the following:

	Year Ended September 30,	
	2011	*2010*
Net periodic pension cost		
Service cost with interest to year-end	$ 6,702,081	$ 6,264,856
Interest cost on the projected benefit obligation	7,318,175	6,866,988
Expected return on plan assets	(9,741,284)	(8,227,536)
Amortization of prior service cost	(2,663,945)	(2,663,945)
Amortization of net actuarial loss	4,993,943	4,229,428
Net periodic pension cost	$ 6,608,970	$ 6,469,791
Other changes in unrestricted net assets		
Net loss	$ 8,566,406	$ 11,078,698
Amortization of prior service cost	2,663,945	2,663,945
Amortization of net actuarial loss	(4,993,943)	(4,229,428)
Total recognized in unrestricted net assets	$ 6,236,408	$ 9,513,215
Total recognized in net periodic pension cost and unrestricted net assets	$ 12,845,378	$ 15,983,006

Pension expense for NGMC was $6,335,974 and $6,243,106 for the years ended September 30, 2011 and 2010, respectively.

Management estimates that a net loss in the amount of approximately $5,406,000, and prior service cost in the amount of $2,660,000, will be amortized from the unrestricted net assets of NGHS into net periodic pension cost over the next fiscal year

NOTE H--PENSION PLAN - Continued

The actuarial assumptions used for the plan as of September 30, 2011 and 2010 are as follows:

	September 30,	
	2011	*2010*
Discount rates	5.50%	5.30%
Rates of increase in future compensation levels	varies by age	varies by age
Expected long-term rate of return on plan assets	8.50%	8.00%
Rates of increase in maximum benefit and compensation limits	3.00%	3.00%

During 2011, management adjusted assumptions related to the discount rate based on their evaluation of current and future circumstances. The discount rate has a significant effect on the calculation of the pension benefit obligations. Estimates used in the discount rate and other assumptions are subject to change in the future.

The determination of the expected long-term rate of return on plan assets is based on assumptions that are developed by the plan's investment consultant for each investment category as to the rate of return, risk, yield, and correlation with other categories that serve as components of the long-term strategy. Based on these assumptions, eligible components are tested over the desired time frame given the acceptable tolerance of risk determined by NGHS. The expected long-term rate of return reflects assumptions as to continued execution of the current strategic asset allocation, modern portfolio theory, and the plan's investment policy.

The composition of plan assets at September 30, 2011 and 2010 is as follows:

	Carrying Value	*Quoted Prices in Active Markets (Level 1)*	*Significant Other Observable Inputs (Level 2)*	*Significant Unobservable Inputs (Level 3)*
September 30, 2011				
Money market funds	$ 6,270,185	$ 6,270,185	$ -	$ -
U.S. Treasury and agency obligations	695,659	695,659	-	-
Corporate bonds	25,272,082	-	25,272,082	-
Mutual funds and equity securities	82,530,840	82,530,840	-	-
Accrued income	427,698	427,698	-	-
	$ 115,196,464	$ 89,924,382	$ 25,272,082	$ -

NOTE H--PENSION PLAN - Continued

	Carrying Value	*Quoted Prices in Active Markets (Level 1)*	*Significant Other Observable Inputs (Level 2)*	*Significant Unobservable Inputs (Level 3)*
September 30, 2010				
Money market funds	$ 783,328	$ 783,328	$ -	$ -
U.S. Treasury and agency obligations	664,207	664,207	-	-
Corporate bonds	26,197,574	-	26,197,574	-
Mutual funds and equity securities	84,978,529	84,978,529	-	-
Accrued income	451,046	451,046	-	-
	$ 113,074,684	$ 86,877,110	$ 26,197,574	$ -

NGHS's investment strategy for this plan is to maintain a balance approximating 25-30% in debt securities and 70-75% in equity securities. NGHS expects to contribute approximately $10,000,000 to this plan during fiscal year 2012.

Estimated future benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

Year Ending September 30,	
2012	$ 4,969,000
2013	5,402,000
2014	5,850,000
2015	6,366,000
2016	6,913,000
2017-2020	44,220,000

During 2006, NGHS created the Northeast Georgia Health System, Inc. 401(k) Retirement Savings Plan for substantially all employees. The Plan provides for matching contributions by NGHS which are 100% of each employee's elective deferrals up to 1% of compensation and 50% of each employee's elective deferrals that exceed 1% of compensation but that do not exceed 6%. Expense for NGMC under the 401(k) Retirement Savings Plan was $4,315,409 and $4,011,266 for 2011 and 2010, respectively.

NGHS also has several deferred compensation and other benefit plan maintained for specific purposes. Assets and liabilities are included in the accompanying financial statements of NGMC where appropriate.

NOTE I--ESTIMATED LIABILITY FOR SELF-INSURANCE CLAIMS

NGHS has established trust funds for the purpose of funding professional liability and self-insured workers' compensation, which covers NGMC, up to specified retention levels, generally $3,000,000 per occurrence and $10,000,000 in the aggregate (annually) for professional liability and $300,000 per occurrence for worker's compensation with no annual aggregate. Losses exceeding aggregate annual limits up to maximum limits are covered by insurance purchased from commercial carriers. Management intends to maintain such insurance coverage in the future. Funding for professional liability is on a claims-made basis, while workers' compensation is determined on an occurrence basis. Funding of the trusts is based upon estimates of potential liability provided by annual independent actuarial valuations and includes provisions for claims reported and claims incurred but not reported in excess of insurance limits. NGMC is involved in litigation relating to medical malpractice and workers' compensation and other claims arising in the ordinary course of business. There are also known incidents occurring through September 30, 2011 that may result in the assertion of additional claims and other unreported claims may be asserted arising from services provided in the past. Estimated self-insurance liabilities in the Consolidated Balance Sheets of NGHS and affiliates at September 30, 2011 and 2010 consist of amounts accrued by NGHS related to these self-insurance programs and have not been discounted. Amounts accrued by NGHS were approximately $26,608,000 and $24,430,000 at September 30, 2011 and 2010, respectively.

NGMC is charged by NGHS for participation and coverage in these programs. Operating expenses in the accompanying NGMC Statements of Operations and Changes in Net Assets for the years ended September 30, 2011 and 2010 includes $2,687,829 and $5,118,138, respectively, for professional liability and $1,682,317 and $506,580, respectively, for workers' compensation.

NGHS maintains a self-insurance program to provide medical and dental coverage for eligible employees and their dependents. Reinsurance above $150,000 per individual with no aggregate limit is maintained through a commercial excess coverage policy. Operating expenses in the accompanying Statements of Operations and Changes in Net Assets for the years ended September 30, 2011 and 2010 includes $19,143,413 and $20,061,688, respectively, related to these benefits. Accounts payable and other accrued expenses include approximately $6,130,000 at September 30, 2011 and 2010 representing estimated incurred but unpaid medical and dental claims.

NOTE J--CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject NGMC to concentrations of credit risk consist primarily of cash and cash equivalents, investments (Note E) and net patient accounts receivable.

NOTE J--CONCENTRATIONS OF CREDIT RISK - Continued

NGMC places cash and cash equivalents with banking institutions that are insured by the Federal Deposit Insurance Corporation. At times, NGMC has deposits in excess of these insurance limits. NGMC is exposed to loss of the uninsured amounts in the event of nonperformance by the banking institution; however, NGMC does not anticipate any such losses.

NGMC grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The estimated mix of net patient service revenue from patients and major third-party payors for the years ended September 30, 2011 and 2010 is as follows:

	2011	*2010*
Governmental programs		
Medicare	45%	44%
Medicaid	12%	11%
Commercial insurance	30%	33%
Self-pay and other	13%	12%
	100%	100%

NOTE K--FUNCTIONAL CLASSIFICATION OF EXPENSES

NGMC provides general healthcare services to residents within its geographic location. Expenses related to providing these services are as follows:

	2011	*2010*
Healthcare services	$ 485,523,016	$ 455,387,416
General and administrative	70,397,425	75,962,225
	$ 555,920,441	$ 531,349,641

NOTE L--RELATED PARTY TRANSACTIONS

NGMC routinely engages in transactions with NGHS and other controlled affiliates of NGHS, including Northeast Georgia Physician Group, Inc. (NGPG), Northeast Georgia Health Partners, LLC (NGHP), Strategic Physician Services, Inc. (SPS) and The Medical Center Foundation (the Foundation). Amounts due from affiliates bear no interest and represent capital and other expenditures paid on behalf of affiliates at September 30, 2010. There were no substantial amounts due from affiliates at September 30, 2011.

Note> Amounts don't tie to CY TB, therefore used tax code report amount to be consistent with PY am 05/24/12

NOTE L--RELATED PARTY TRANSACTIONS - Continued

In 2011 and 2010, NGMC purchased capital assets for NGHS in the amounts of $1,547,498 and $1,461,998, respectively, and for NGPG in the amounts of $4,635,302 and $2,229,605, respectively.

During 2011 and 2010, donations in the amounts of $1,167,808 and $1,377,840, respectively, were received from the Foundation.

In 2011 and 2010, NGHS charged NGMC with allocated management fees in the amounts of $17,341,144 and $18,418,787, respectively. wp 1

wp 1
Also during 2011 and 2010, NGMC charged NGHP allocated overhead costs of $49,908 and $116,496, respectively. These amounts are included in other operating revenue in the accompanying Statements of Operations and Changes in Net Assets.

During 2011 and 2010, amounts due from NGHS, NGPG, NGHP and SPS were transferred to those entities through a non-cash transfer of net assets as reflected in the accompanying Statement of Operations and Changes in Net Assets. The transfer of net assets, including the amounts due from these related parties, consisted of the following for the year ended September 30, 2011 and 2010:

	2011	*2010*
NGHS	$ 1,241,532	$ 6,050,256
NGPG	25,252,426	20,097,032
NGHP	181,175	1,310,188
SPS	-	(664,393)
	$ 26,675,133	$ 26,793,083

Other transfers of equity to/from affiliates includes approximately $1,065,000 and $1,143,000 in 2011 and 2010, respectively, related to routine operating support for the Foundation, and approximately $19,000 and $18,000 in 2011 and 2010, respectively, representing net assets released from restrictions at the Foundation for capital expenditures

NOTE M--FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each significant class of financial instrument for which it is practicable to estimate the value:

NOTE M--FAIR VALUE OF FINANCIAL INSTRUMENTS - Continued

Cash and Cash Equivalents: The carrying amounts reported in the Balance Sheets for cash, cash equivalents and short-term investments approximate fair value.

Investments: Fair value of issues traded on public exchanges are based on the market price in such exchanges at year end. The fair value of other issues are also based on quoted market prices.

Assets Limited as to Use: Fair value of issues traded on public exchanges are based on the market price in such exchanges at year end. The fair value of other issues are also based on quoted market prices.

Long-Term Debt: Fair value of long-term debt is based on the present value of the discounted cash flows of the remaining balance, based on NGMC's current incremental borrowing rates under similar types of borrowing arrangements.

Other Long-Term Liabilities: Deferred compensation liabilities are based on the related investments which are reported at fair value. Interest rate swaps are reported at estimated fair value based on terms and projected interest rates.

The carrying value of certain other financial instruments approximates fair value due to the nature and short-term maturities of these instruments. The estimated fair value of NGMC's financial instruments that have carrying values different from fair values are as follows at September 30:

	2011		*2010*	
	Carrying Amount	*Fair Value*	*Carrying Amount*	*Fair Value*
Long-term debt	$ 603,084,701	$ 628,923,824	$ 603,047,990	$ 633,075,378

NOTE N--FAIR VALUE MEASUREMENTS

Generally accepted accounting principles establish a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

- Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

NOTE N--FAIR VALUE MEASUREMENTS - Continued

- Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

- Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following table presents assets and liabilities reported at fair value and their respective classification under the valuation hierarchy:

	Carrying Value	*Quoted Prices in Active Markets (Level 1)*	*Significant Other Observable Inputs (Level 2)*	*Significant Unobservable Inputs (Level 3)*
September 30, 2011				
Assets measured at fair value on a recurring basis				
Investments	$ 369,329,544	$ 270,602,480	$ 98,727,064	$ -
Assets limited as to use	67,878,268	14,658,440	53,219,828	-
Total assets	$ 437,207,812	$ 285,260,920	$ 151,946,892	$ -
Liabilities measured at fair value on a recurring basis				
Interest rate swap agreements	$ 8,307,528	$ -	$ -	$ 8,307,528
September 30, 2010				
Assets measured at fair value on a recurring basis				
Investments	$ 327,941,424	$ 226,490,106	$ 101,451,318	$ -
Assets limited as to use	77,123,496	30,744,808	46,378,688	-
Total assets	$ 405,064,920	$ 257,234,914	$ 147,830,006	$ -
Liabilities measured at fair value on a recurring basis				
Interest rate swap agreements	$ 6,522,890	$ -	$ -	$ 6,522,890

The following table presents a reconciliation between the beginning and ending balances of NGMC's assets and liabilities that are classified under the Level 3 hierarchy and measured on a recurring basis:

NOTE N--FAIR VALUE MEASUREMENTS - Continued

	Level 3 *Interest Rate Swap Agreements*
Beginning Balance	$ (6,522,890)
Change in estimated fair value of interest rate swaps	(1,784,638)
Ending Balance	$ (8,307,528)

NOTE O--COMMITMENTS AND CONTINGENCIES

Construction in progress at September 30, 2011 relates primarily to ongoing projects, including a major construction and renovation project at the main campus, and scheduled projects related to an NGHS Development Plan to be completed over the next four years. The estimated cost to complete current construction in progress at September 30, 2011 is approximately $361,800,000, over that time frame. Estimated cost to complete construction in progress under signed contracts at September 30, 2011 is approximately $32,300,000.

NGMC also leases medical and other equipment under various operating leases. Future minimum lease payments under these leases are not significant.

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, patient records privacy and security and Medicare and Medicaid fraud and abuse. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that NGMC is in compliance with fraud and abuse statutes, as well as other applicable government laws and regulations.

Additional Data

Software ID:
Software Version:
EIN: 58-1694098
Name: NORTHEAST GEORGIA MEDICAL CENTER INC

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JACKIE WALLACE MEMBER	1 00	X						0	0	0
JANIE SHELTON MEMBER	1 00	X						0	0	0
KIT DUNLAP VICE CHAIRPERSON	1 00	X						0	0	0
JOHN HEMMER MD MEMBER	1 00	X						12,620	0	16,500
JAY HORTENSTINE MEMBER & NGPG PHYSICIAN	1 00	X						0	437,094	28,640
ROGER OWENS MD MEMBER	1 00	X						0	0	0
LUA BLANKENSHIP MEMBER	1 00	X						0	0	0
RODNEY SMITH MD MEMBER	1 00	X						0	0	0
DOUG CARTER CHAIRPERSON	1 00	X						0	0	0
JOHN PRIEN MEMBER	1 00	X						0	0	0
LARRY DENT MEMBER	1 00	X						0	0	0
DALLAS GAY MEMBER	1 00	X						0	0	0
JERRY JACKSON MEMBER	1 00	X						0	0	0
JACK KEENER MEMBER	1 00	X						0	0	0
SPENCE PRICE MEMBER	1 00	X						0	0	0
JOHN A WILLIAMSON VP - NGMC	40 00			X				0	282,862	57,447
JAMES GARDNER PRESIDENT & CEO UNTIL 11/2010	1 00			X				0	940,277	491,707
CAROL BURRELL PRESIDENT & CEO EFFECTIVE 11/2010	1 00			X				0	488,837	220,957
ANTHONY HERDENER VP - NGHS & CFO	1 00			X				0	451,479	138,464
NANCY J MARTIN VP - NGMC & CNO	40 00			X				0	333,505	71,786
DANE HENRY VP - NGMC	40 00			X				0	250,411	32,577
MARY MARTIN LP-ADMIN /DIR -CLINICAL INFO SYST	40 00			X				0	144,368	40,196
TRACY VARDEMAN VP - NGHS	1 00			X				0	253,008	65,108
JAMES BAILEY MD VP - NGHS & CMIO	1 00			X				0	716,040	28,911
SAMUEL JOHNSON VP - NGMC & CMO	40 00			X				0	281,844	32,184

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
SANDRA JOHNSON VP - NGHS	1 00			X				0	263,603	25,983
ALLANA CUMMINGS VP - NGHS & CIO	1 00			X				0	316,956	27,909
JAMES WALKER VP - NGHS	1 00			X				0	202,203	12,802
STEPHEN A CARLSON DIRECTOR - PHARMACY	40 00				X			0	166,396	36,335
DEBRA DUKE DIRECTOR - DIAGNOSTIC IMAGING	40 00				X			0	156,648	35,089
RANDALL P MILLER MANAGER - RADIATION PHYSICS	40 00					X		0	234,195	28,397
DAVID E PATTERSON RADIATION - PHYSICIST	40 00					X		0	190,316	21,370
WILLIAM LONERGAN DIRECTOR - FACILITIES DEVELOPMENT	40 00					X		0	158,645	37,701
SCOTT YASKULKA PERFUSIONIST - CHIEF	40 00					X		0	139,078	26,169
WILLIAM FOLEY JR DIRECTOR - MATERIALS DISTRIBUTION	40 00					X		0	147,501	22,366