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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

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

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

C Name of organization
THE ROCHESTER GENERAL HOSPITAL

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1425 PORTLAND AVENUE

City or town, state or country, and ZIP + 4
ROCHESTER, NY 14621

D Employer identification number
16-0743134

E Telephone number
(585) 922-4000

G Gross receipts $ 727,061,737

F Name and address of principal officer
MARK CLEMENT
100 KINGS HIGHWAY SOUTH
ROCHESTER, NY 14617

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 rochestergeneral org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1847 | **M** State of legal domicile NY

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO OPERATE A GENERAL HOSPITAL IN THE COUNTY OF MONROE, NY FOR MEDICAL AND SURGICAL AID, CARE AND TREATMENT OF PERSONS IN NEED

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	10
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	8
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	6,875
6	Total number of volunteers (estimate if necessary)	**6**	617
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	29,024,706
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	6,870,738	7,523,962
9	Program service revenue (Part VIII, line 2g)	654,868,519	701,564,374
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	6,981,950	10,624,016
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	6,004,849	7,315,130
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	674,726,056	727,027,482
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	37,700	82,900
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)	371,912,205	397,061,503
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–24e)	278,332,524	291,205,646
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	650,282,429	688,350,049
19	Revenue less expenses Subtract line 18 from line 12	24,443,627	38,677,433

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	539,083,630	674,600,243
21	Total liabilities (Part X, line 26)	260,868,465	371,640,427
22	Net assets or fund balances Subtract line 21 from line 20	278,215,165	302,959,816

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 — 2012-11-14 Date

▶ PAULA M TINCH VP Finance & Interim CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ | Date | Check if self-employed ▶☐ | Preparer's taxpayer identification number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ ERNST & YOUNG US LLP
75 BEATTIE PLACE SUITE 800
GREENVILLE, SC 29601

EIN ▶

Phone no ▶ (864) 242-5740

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 ESTABLISH, ERECT AND MAINTAIN A GENERAL HOSPITAL AND DISPENSARY IN THE COUNTY OF MONROE, NY FOR MEDICAL AND SURGICAL AID, CARE AND TREATMENT OF PERSONS IN NEED THEREOF, TO CARRY ON AND CONDUCT A TRAINING SCHOOL FOR NURSES, TO PROMOTE AND CARRY ON SCIENTIFIC RESEARCH RELATED TO THE CARE OF THE SICK AND INJURED, TO PARTICIPATE IN ANY ACTIVITIES DESIGNED AND CARRIED ON TO PROMOTE THE GENERAL HEALTH OF THE COMMUNITY, AND TO ACQUIRE BY PURCHASE, LEASE OR GIFT, OR IN ANY OTHER FASHION, ANY AND ALL REAL AND PERSONAL PROPERTY NECESSARY OR ADVISABLE FOR CARRYING OUT ANY OF THE FOREGOING PURPOSES AND POWERS

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 organization's program service accomplishments for each of its three largest program services, as measured 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 $ 571,322,500 including grants of $ 82,900) (Revenue $ 705,152,560)

Rochester General Health System (RGHS) comprises several affiliated organizations that have been providing a continuum of high quality health care services to residents of greater Rochester and surrounding regions RGHS serves as the parent of the system The health care affiliates of RGHS include 1) Rochester General Hospital (RGH) - the filing organization and flagship of RGHS and includes Rochester General Medical Group, a network of 41 primary care and specialized physician practices located throughout Monroe and Wayne counties 2) Newark Wayne Community Hospital (including DeMay Living Center) 3) Rochester Mental Health Center - a network of mental health and substance abuse programs 4) Rochester General Long Term Care - dba Hill Haven a skilled nursing home 5) Independent Living for Seniors (ILS) RGH is a 528 bed tertiary care facility serving the UNY Community for more than 150 years with nationally recognized programs in cardiac, cancer, orthopedic, vascular, surgical and diabetes care RGH is home to the Rochester Heart Institute (RHI independently recognized eight times as one of the nation's top 100 cardiac centers) RHI also is affliated with the Cleveland Clinic, widely recognized as the top Cardiac hospital in the United States, and has access to leading edge training, technology and research The system recently entered into a strategic alliance with Rochester Institute of Technology, allowing for meaningful and productive collaboration on biomedical research education The commitment of the RGHS's physicians and staff is to deliver unmatched, fully integrated care and service to our patients and their families RGH treats emergency room patients and provides other outpatient care in the form of ambulatory services and outpatient clinic visits RGH provides charity and indigent care to the Rochester area community See Schedule H for additional information with respect to the number of patients treated, charity care provided and community service activities conducted by RGH

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** ▶ $ 571,322,500

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 instructions)?	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		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which 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 temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
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	Yes	
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	Yes	
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		No
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, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	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, Part 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, Part 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*	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.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	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 questions 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**		No
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 owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
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**	Yes	
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	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**	Yes	
b	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*	**35b**	Yes	
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**	388		
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**	6,875		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b** Yes	
	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 or securities 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.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**	
b	Enter the aggregate 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 aggregate 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	10		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	8		
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	Did the organization have members or stockholders?		6	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		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	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete 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 the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did 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," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		No

Section C. Disclosure

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

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 made 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 made 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 ▶

RITA SZMIGEL
100 KINGS HIGHWAY SOUTH
ROCHESTER, NY 14617
(585) 922-1737

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, or 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 organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(1) LINDA BECKER CHAIR	1 0	X		X				0	0	0
(2) MARK C CLEMENT PRESIDENT & CEO	40 0	X		X				1,091,818	239,668	789,545
(3) ROBERT DOBIES as of 0611 DIRECTOR	1 0	X						0	0	0
(4) JEANNE GROVE DO SECRETARY/TREASURER	1 0	X		X				0	0	0
(5) ROBERT MAYO MD DIRECTOR/EMPLOYED PHYSICIAN	36 0	X						353,579	0	59,979
(6) DANIEL MEYERS as of 0611 DIRECTOR	1 0	X						0	0	0
(7) THOMAS PENN MD DIRECTOR	1 0	X						0	0	0
(8) JOHN RIEDMAN DIRECTOR	1 0	X						0	0	0
(9) MARGARET SANCHEZ DIRECTOR	1 0	X						0	0	0
(10) ROBERT S SANDS DIRECTOR	1 0	X						0	0	0
(11) JOHN L GENIER MD until 0611 DIRECTOR/EMPLOYED PHYSICIAN	1 25	X						17,751	0	0
(12) ELAINE SPAULL PHD until 0611 DIRECTOR	1 0	X						0	0	0
(13) JUAN VILLANUEVA until 0611 DIRECTOR	1 0	X						0	0	0
(14) GARY WAHL MD until 0611 DIRECTOR/EMPLOYED PHYSICIAN	35 0	X						303,725	0	70,941
(15) ROBERT NESSELBUSH SVP & CFO	39 0			X				530,027	116,347	255,572
(16) Brian Jepson RGH President	55 0			X				449,396	0	188,508
(17) HUGH THOMAS SVP & CORPORATE COUNSEL	41 0				X			436,261	95,764	207,940

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 (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(18) RICHARD GANGEMI SVP ACADEMIC & MEDICAL AFFAIRS	46 0				X			494,345	80,475	193,226
(19) VINCENT CHANG PHYSICIAN	40 0					X		1,265,060	0	111,724
(20) MOHAMED SALEH ALSALAHI PHYSICIAN	40 0					X		568,534	0	47,561
(21) MICHAEL PICHICHERO PHYSICIAN	40 0					X		837,837	0	46,222
(22) SYED MUSTAFA PHYSICIAN	40 0					X		523,300	0	22,341
(23) PATRICK RIGGS PHYSICIAN	40 0					X		489,162	0	91,788

1b	**Sub-Total** . . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . . ▶	7,360,795	532,254	2,085,347

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶489

			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 Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
UNIVERSITY OF ROCHESTER PO BOX 278894 175 CORP WOODS SUITE ROCHESTER, NY 14627	PHYSICIAN SERVICES	4,894,429
DGA-MSH LLC 333 WEST COMMERCIAL STREET SUITE 1 EAST ROCHESTER, NY 14445	CONSTRUCTION MGMT	3,673,950
DGA BUILDERS INC 333 WEST COMMERCIAL STREET SUITE 1 EAST ROCHESTER, NY 14445	CONSTRUCTION MGMT	3,038,181
DELOITTE AND TOUCHE LLP PO BOX 7247-6447 PHILADELPHIA, PA 191706447	CONSULTING	1,476,042
HARRIS BEACH PLLC 99 GARNSEY ROAD PITTSFORD, NY 14534	LEGAL	1,137,420

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶50

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	3,842,042			
	e	Government grants (contributions)	1e	1,792,068			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,889,852			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		7,523,962			
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REVENUE	621110	693,335,250	664,325,631	29,009,619	
	b	RESEARCH	541700	4,101,881	4,101,881		
	c	PSYCH PROGRAM	621400	1,208,263	1,208,263		
	d	SCHOOL OF NURSING	611600	656,647	656,647		
	e	RENTAL REVENUE FROM RELATED PARTIES	531120	487,627	487,627		
	f	All other program service revenue		1,774,706	1,774,706		
	g	**Total.** Add lines 2a–2f		701,564,374			
	3	Investment income (including dividends, interest and other similar amounts)		2,203,382		3	2,203,379
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real	(ii) Personal			
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	8,421,088	33,801			
	b	Less cost or other basis and sales expenses		34,255			
	c	Gain or (loss)	8,421,088	-454			
	d	Net gain or (loss)		8,420,634			8,420,634
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		0			
	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		0			
	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		0			
		Miscellaneous Revenue	Business Code				
	11a	CAFETERIA/CAF & CATERING	722210	1,856,161			1,856,161
	b	PARKING	812930	1,098,990			1,098,990
	c	GIFT SHOP	453220	756,709			756,709
	d	All other revenue		3,603,270	3,588,186	15,084	
	e	**Total.** Add lines 11a–11d		7,315,130			
	12	**Total revenue.** See Instructions		727,027,482	676,142,941	29,024,706	14,335,873

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)

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

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 United States See Part IV, line 21	82,900	82,900		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	4,384,037	3,684,747	699,290	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	323,819,953	268,233,971	55,585,982	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	19,393,527	16,067,158	3,326,369	
9	Other employee benefits	22,113,306	18,319,543	3,793,763	
10	Payroll taxes	27,350,680	22,660,038	4,690,642	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	1,051,095		1,051,095	
c	Accounting	795,574		795,574	
d	Lobbying	28,543	28,543		
e	Professional fundraising *See Part IV, line 17* . .	0			
f	Investment management fees	0			
g	Other	44,001,523	36,455,262	7,546,261	
12	Advertising and promotion	1,924,070	1,579,875	344,195	
13	Office expenses	159,948,172	132,517,061	27,431,111	
14	Information technology	9,265,472	7,676,444	1,589,028	
15	Royalties . .	0			
16	Occupancy	14,576,165	12,076,353	2,499,812	
17	Travel	1,277,074	1,058,056	219,018	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	0			
20	Interest	3,550,097	2,941,255	608,842	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	27,302,458	22,620,086	4,682,372	
23	Insurance	10,100,140	8,367,966	1,732,174	
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	BAD DEBTS	14,866,191	14,866,191		
b	DUES AND SUBSCRIPTIONS	836,266	692,846	143,420	
c	ALL OTHER EXPENSES	1,682,806	1,394,205	288,601	
d					
e					
f	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24f	688,350,049	571,322,500	117,027,549	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		17,378,831	1	15,229,483
	2	Savings and temporary cash investments		29,882,283	2	57,246,361
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		56,478,719	4	72,593,065
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		1,670,433	8	3,145,708
	9	Prepaid expenses and deferred charges		15,448,775	9	17,774,021
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	562,177,843			
	b	Less accumulated depreciation	331,800,119	186,144,802	10c	230,377,724
	11	Investments—publicly traded securities		86,126,932	11	84,940,590
	12	Investments—other securities See Part IV, line 11		53,794,714	12	52,807,764
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		92,158,141	15	140,485,527
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		539,083,630	16	674,600,243
Liabilities	17	Accounts payable and accrued expenses		74,329,593	17	88,796,446
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		58,422,499	20	108,365,461
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		0	21	0
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		1,700,064	23	9,566,704
	24	Unsecured notes and loans payable to unrelated third parties		8,183,035	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		118,233,274	25	164,911,816
	26	**Total liabilities.** Add lines 17 through 25		260,868,465	26	371,640,427
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		243,882,720	27	271,495,287
	28	Temporarily restricted net assets		26,288,582	28	23,358,385
	29	Permanently restricted net assets		8,043,863	29	8,106,144
		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		278,215,165	33	302,959,816
	34	Total liabilities and net assets/fund balances		539,083,630	34	674,600,243

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	727,027,482
2	Total expenses (must equal Part IX, column (A), line 25)	2	688,350,049
3	Revenue less expenses Subtract line 2 from line 1	3	38,677,433
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	278,215,165
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-13,932,782
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	302,959,816

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	Yes	
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	Yes	

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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

2011

Open to Public Inspection

Name of the organization
THE ROCHESTER GENERAL HOSPITAL

Employer identification number
16-0743134

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 **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 331/3% 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 331/3% 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 IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
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 2011 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2010 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2011.** 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—2010.** 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—2011.** 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—2010.** 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 IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 501(c)(3) organization, check this box and **stop here** ▶

Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15
16	Public support percentage from 2010 Schedule A, Part III, line 15	16

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2011** (line 10c column (f) divided by line 13 column (f))	17
18	Investment income percentage from **2010** Schedule A, Part III, line 17	18

19a **33 1/3% support tests—2011.** 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—2010.** 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 explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

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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

2011

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, line 35c (Proxy Tax), then

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

Name of the organization	Employer identification number
THE ROCHESTER GENERAL HOSPITAL	16-0743134

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 on behalf of or in opposition to candidates for public office 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 (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

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) 2008	(b) 2009	(c) 2010	(d) 2011	(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?	Yes		
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?	Yes		28,543
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		No	
j	Total lines 1c through 1i			28,543
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
GRANTS TO OTHER ORGANIZATIONS FOR LOBBYING	SCHEDULE C, PART II-B, LINE 1F	THE AMOUNT REFLECTED ON PART II-B, LINE 1F REPRESENTS THE PORTION OF DUES PAID TO HEALTH CARE ASSOCIATION OF NYS ATTRIBUTABLE TO LOBBYING ACTIVITIES

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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, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
THE ROCHESTER GENERAL HOSPITAL

Employer identification number
16-0743134

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	8,043,862	7,960,615	7,955,419	7,924,901	
b Contributions	62,282	83,247	5,196	30,518	
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	8,106,144	8,043,862	7,960,615	7,955,419	

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

- a Board designated or quasi-endowment ▶ 0 %
- b Permanent endowment ▶ 100 000 %
- c Term endowment ▶ 0 %

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)		No
(ii) related organizations	3a(ii)		No
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 Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,374,796		4,374,963
b Buildings		231,282,475	115,671,941	115,610,534
c Leasehold improvements				
d Equipment		316,287,285	216,128,178	100,159,107
e Other		10,233,120		10,233,120
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				230,377,724

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		
(3) Other		
(A) COMMON COLLECTIVE TRUSTS	9,499,685	F
(B) HEDGE FUNDS	43,308,079	F
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	52,807,764	

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
(1) DUE FROM AFFILIATES	43,512,660
(2) BENEFICIAL INT IN RGHF ASSETS	32,942,031
(3) INSURANCE RECOVERIES REC	41,702,111
(4) OTHER ASSETS	17,980,279
(5) ESTIMATED THIRD PARTY REC	4,348,446
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	140,485,527

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
DEFERRED COMPENSATION	1,518,651
DUE TO AFFILIATE	3,351,189
ACCRUED SELF INSURANCE	74,473,709
ESTIMATED 3RD PARTY PAYABLE	83,892,334
UNAMORTIZED PREMIUM	1,675,933
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	164,911,816

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	727,027,482
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	688,350,049
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	38,677,433
4	Net unrealized gains (losses) on investments	4	-9,402,551
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-4,530,231
9	Total adjustments (net) Add lines 4 - 8	9	-13,932,782
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	24,744,651

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	722,276,575
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			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	722,276,575
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	262,757		
b	Other (Describe in Part XIV)	4b	4,488,150		
c	Add lines **4a** and **4b**			4c	4,750,907
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	727,027,482

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

1	Total expenses and losses per audited financial statements			1	687,800,451
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			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	687,800,451
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	262,757		
b	Other (Describe in Part XIV)	4b	286,841		
c	Add lines **4a** and **4b**			4c	549,598
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	688,350,049

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
OTHER CHANGES IN NET ASSETS	SCHEDULE D, PART XI, LINE 8	CHANGE IN BENEFICIAL INTEREST IN RGH FOUNDATION $ 4,530,231
RECONCILIATION OF REVENUE PER AFS TO RETURN	SCHEDULE D, PART XII, LINE 4B	TRANSFER FROM RGH FOUNDATION $ 3,842,042 RESTRICTED CONTRIBUTIONS 359,267 SALES TAX NETTED AGAINST REVENUE 286,841 --------- TOTAL $ 4,488,150
RECONCILIATION OF EXPENSES PER AFS TO RETURN	SCHEDULE D, PART XIII, LINE 4B	SALES TAX NETTED AGAINST REVENUE 286,841
INTENDED USES OF ENDOWMENT FUNDS	SCHEDULE D, PART V, LINE 4	THE INTENDED USES OF THE ORGANIZATION'S ENDOWMENT FUNDS INCLUDE 1) CAPITAL EXPANSION AND IMPROVEMENT AND 2) ADVANCEMENT OF MEDICAL EDUCATION AND RESEARCH AND HEALTH CARE SERVICES

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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

2011

Open to Public Inspection

Name of the organization
THE ROCHESTER GENERAL HOSPITAL

Employer identification number
16-0743134

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? 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	Did the organization use FPG to determine eligibility for providing *discounted* care? 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 did 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 policy provide 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 charity care 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	Did the organization prepare a community benefit reportduring 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 Charity Care and Certain Other Community Benefits at Cost

Charity Care 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 Charity care at cost (from Worksheet 1)			17,899,940	6,717,390	11,182,550	1 660 %
b Medicaid (from Worksheet 3, column a)			111,420,556	102,797,622	8,622,934	1 280 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			4,964,637	2,474,879	2,489,758	0 370 %
d **Total** Charity Care and Means-Tested Government Programs			134,285,133	111,989,891	22,295,242	3 310 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)						
f Health professions education (from Worksheet 5)			23,548,965	8,859,782	14,689,183	2 180 %
g Subsidized health services (from Worksheet 6)			38,933,591	30,251,826	8,681,765	1 290 %
h Research (from Worksheet 7)	5		1,364,013	1,364,013		
i Cash and in-kind contributions for community benefit (from Worksheet 8)	41		183,305		183,305	0 030 %
j **Total** Other Benefits	46		64,029,874	40,475,621	23,554,253	3 500 %
k **Total.** Add lines 7d and 7j	46		198,315,007	152,465,512	45,849,495	6 810 %

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

		(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						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**						

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	2	14,866,191		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	0		
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	98,784,409		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	91,329,259		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	7,455,150		
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	Did the organization have a written debt collection policy during the tax year?		9a	Yes	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI		9b	Yes	

Part IV Management Companies and Joint Ventures (see instructions)

	(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	LATTIMORE SVC ORG	MANAGEMENT SERVICES	71 000 %	0 %	29 000 %
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 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	ROCHESTER GENERAL HOSPITAL 1425 PORTLAND AVENUE ROCHESTER, NY 14621	X	X			X	X	X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

ROCHESTER GENERAL HOSPITAL

Name of Hospital Facility: ROCHESTER GENERAL HOSPITAL

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 %			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

		Yes	No
10 Used FPG to determine eligibility for providing discounted care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 400 % If "No," explain in Part VI the criteria the hospital facility used			
11 Explained the basis for calculating amounts charged to patients?	**11**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☐ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Other (describe in Part VI)			
12 Explained the method for applying for financial assistance?	**12**	Yes	
13 Included measures to publicize the policy within the community served by the hospital facility?	**13**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted at all times on the hospital facility's web site			
b ☐ The policy was attached to all billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients upon admission to the hospital facility			
f ☑ The policy was available upon request			
g ☑ Other (describe in Part VI)			
Billing and Collections			
14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**14**	Yes	
15 Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments or arrests			
e ☐ Other similar actions (describe in Part VI)			
16 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	**16**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			
17 Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)			
a ☑ Notified patients of the financial assistance policy upon admission			
b ☑ Notified patients of the financial assistance policy prior to discharge			
c ☑ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d ☑ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

		Yes	No
18 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	**18**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☐ The hospital facility used the average of it's three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		No
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient?	**21**		No
If "Yes," explain in Part VI			

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 from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? **43**

	Name and address	Type of Facility (Describe)
1	See Additional Data Table	
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 descriptions 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, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health 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
COMMUNITY BENEFIT REPORT INCLUDED IN RELATED ORGANIZATION'S REPORT	PART I, LINE 6A	ROCHESTER GENERAL HOSPITAL'S COMMUNITY BENEFIT REPORT IS INCLUDED IN THE COMMUNITY BENEFIT REPORT FOR ROCHESTER GENERAL HEALTH SYSTEMS, A RELATED NOT-FOR-PROFIT ORGANIZATION, AS PA RT OF THE JOINT COMMUNITY BENEFIT REPORT DISTRIBUTED BY MONROE COUNTY, NY COSTING METHODO LOGY FOR CHARITY CARE AND OTHER COMMUNITY BENEFITS PART I, LINE 7 The costing methodology used was from the hospital's cost accounting system, which addresses all patient segments The hospital's cost accounting system properly aligns revenue (charges) and expenses thru reclasses and adjustments to department level expenses, and develops detailed department level Ratios of Cost-to-Charges This methodology was used on all lines except line 7f, wh ich uses the hospitals ICR, worksheet B, part I PHYSICIAN CLINIC COSTS INCLUDED AS SUBSID IZED HEALTH SERVICES PART I, LINE 7G N/A - NO PHYSICIAN CLINIC COSTS WERE INCLUDED ON LINE 7G BAD DEBT EXPENSE EXCLUDED PART I, LINE 7, COLUMN (F) TOTAL EXPENSES ON FORM 990, PART IX, LINE 25, COLUMN (A) ARE $688,350,049 THE BAD DEBT EXPENSE INCLUDED IN THIS AMOUNT IS $14,866,191 AFTER BAD DEBT WAS DEDUCTED FROM TOTAL EXPENSES, THE AMOUNT OF TOTAL EXPENSE S USED TO CALCULATE THE PERCENT IN LINE 7, COLUMN (F) WAS $673,483,858 COMMUNITY HEALTH I MPROVEMENT SERVICES & COMMUNITY BENEFIT OPERATIONS PART I, LINE 7E DURING 2011 THE FILING ORGANIZATION (RGH) SPONSORED THE FOLLOWING EVENTS AND ACTIVITIES TO PROMOTE COMMUNITY HEAL TH IMPROVEMENT THAT MEET THE DEFINITION FOR DISCLOSURE ON SCHEDULE H, PART I, LINE 7E (COM MUNITY HEALTH IMPROVEMENT SERVICES AND COMMUNITY BENEFIT OPERATIONS) HOWEVER, COMMUNITY B ENEFIT EXPENSE AND DIRECT OFFSETTING REVENUE WERE NOT SEPARATELY TRACKED IN THE ORGANIZATI ON'S ACCOUNTING RECORDS AS A RESULT, NO AMOUNTS HAVE BEEN INCLUDED ON SCHEDULE H, PART I, LINE 7E ANNUAL HEALTHY HEART FAIR RGH SPONSORED A "HEALTHY HEART FAIR" IN THE HOSPITAL A TRIUM THIS HEALTH FAIR BROUGHT TOGETHER MORE THAN 20 SERVICE AGENCIES AND VENDORS TO PROV IDE HEALTH SCREENINGS, FREE FOOD SAMPLES OF HEART HEALTHY RECIPES AND AWARENESS OPPORTUNIT IES TO THE RESIDENTS OF THE AREA THE EVENT FEATURES EDUCATIONAL PROGRAMS AND DEMONSTRATIO NS BY VARIOUS PHYSICIANS AND NUTRITIONISTS AND ALLOWS THE COMMUNITY ACCESS TO THE HOSPITAL CARDIOLOGISTS FOR SPECIFIC QUESTIONS OR CONCERNS OVER THE PAST SEVERAL YEARS, MORE THAN 1,000 PEOPLE BENEFITED FROM THE INFORMATION MADE AVAILABLE AND THE CONNECTIONS MADE POSSIB LE BY THESE EVENTS SPRING INTO SAFETY THIS EVENT PROVIDES SAFETY EDUCATION INFORMATION TO THE RESIDENTS OF ROCHESTER WITH DISTRIBUTION OF 1,200 BICYCLE HELMETS TO CHILDREN AGE 3-1 2 (EACH HELMET IS FITTED DIRECTLY TO THE CHILD) THE EVENT ALSO FEATURES A BIKE SAFETY ROD EO, CHILD PASSENGER RESTRAINT SEAT INSPECTION (AND REPLACEMENT AS NEEDED), CHILD FINGERPRI NTING ID AND OTHER SAFETY INFORMATION FROM LOCAL COMMUNITY AGENCIES MORE THAN 1,000 PEOPL E BENEFITED FROM THE SERVICES OFFERED AT THIS EVENT CAMP BRONCHO POWER THIS EVENT PROVIDE S OVER 60 CHILDREN WITH MODERATE TO SEVERE ASTHMA THE OPPORTUNITY TO PARTICIPATE IN A THRE E DAY, TWO NIGHT OVERNIGHT CAMP EXPERIENCE THE PARTICIPANTS RECEIVE EDUCATION WITH RESPEC T TO MANAGING THE SYMPTOMS OF THEIR DISEASE ALONG WITH TRADITIONAL CAMP ACTIVITIES THIS E VENT GIVES MEDICAL STAFF AN OPPORTUNITY TO SEE THEIR PATIENT IN ANOTHER SETTING WHILE WORK ING TOWARD SELF-MANAGEMENT CHILDREN'S COMMUNITY HEALTH FAIR THIS EVENT IS HELD WITH A LOC AL SCHOOL AND PARTNERS WITH LOCAL AGENCIES TO PROVIDE CHILDREN WITH EDUCATIONAL SAFETY MAT ERIAL MORE THAN 300 CHILDREN BENEFITED FROM THE INFORMATION DISTRIBUTED AT THIS EVENT RE GIONAL HEALTH FAIR PARTICIPATION ASSEMBLYMAN MORELLI HEALTHFAIR (AUGUST) PROVIDED CHOLESTE RAL TESTING AND WOMEN'S HEALTH INFORMATION SENATOR JIM ALESI HEALTHFAIR (OCTOBER) CONDUCTE D CHOLESTERAL TESTING AND BLOOD PRESSURE SCREENS TWO PRESENTATIONS OPEN TO HEALTH FAIR ATT ENDEES 1 HEART HEALTH AND THE IMPACT OF A HEALTHY DIET AND EXERCISE ON RISK OF HEART DIS EASE 2 BREAST CANCER SCREENING EDUCATION ST ANN'S HEALTHFAIR (SEPTEMBER) PROVIDED CHOLES TERAL AND GLUCOSE TESTING RGH HOSTED HALLOWEEN AND CHRISTMAS PARTIES FOR UNDERSERVED CHILD REN AT RGH IN PUBLIC ATRIUM RGH HELD A HOLIDAY TOY DRIVE IN PARTNERSHIP WITH VISION AUTOM OTIVE, COLLECTING HUNDREDS OF TOYS FOR THE UNDERSERVED PEDIATRIC POPULATION RGHS / LIPSON CANCER CENTER WAS A MAJOR SPONSOR AND PARTNER OF GILDA'S CLUB AND THE AMERICAN CANCER SOC IETY, TO PROVIDE SUPPORT TO CANCER PATIENTS AND THEIR FAMILIIES LOCALLY AS WELL AS SUPPORT CANCER RESEARCH RGHS SPONSORS AND SUPPORTS THE AMERICAN DIABETES ASSOCIATION, INCLUDING THE TOUR DE CURE EVENT RGHS WORKS WITH THE ADA AS WELL AS THE BROADER HEALTHCARE COMMUNIT Y COLLABORATIVE TO PROVIDE EDUCATION AND SUPPORT FOR PREVENTION AND MANAGEMENT OF CHRONIC DISEASE AND IN PARTICULAR DIABETES, IN THE COMMUNITY PART III, LINE 4 TEXT OF THE FOOTNO TE TO THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBES BAD DEBT EXPENSE "THE PROVIS ION FOR BAD DEBTS IS BASED UPON MANAGEMENT'S ASSES

Identifier	ReturnReference	Explanation
COMMUNITY BENEFIT REPORT INCLUDED IN RELATED ORGANIZATION'S REPORT	PART I, LINE 6A	SMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERING HISTORICAL BUSINESS AND ECONO MIC CONDITIONS, TRENDS IN HEALTH CARE COVERAGE, AND OTHER COLLECTION INDICATORS PERIODICA LLY THROUGHOUT THE YEAR, MANAGEMENT ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR DOUBTFUL AC COUNTS BASED UPON HISTORICAL WRITE-OFF EXPERIENCE BY PAYOR CATEGORY THE RESULTS OF THIS R EVIEW ARE THEN USED TO MAKE ANY MODIFICATIONS TO THE PROVISION FOR BAD DEBTS TO ESTABLISH AN APPROPRIATE ALLOWANCE FOR DOUBTFUL ACCOUNTS AFTER SATISFACTION OF AMOUNTS DUE FROM INS URANCE, THE HOSPITAL FOLLOWS ESTABLISHED GUIDELINES FOR PLACING CERTAIN PAST DUE PATIENT B ALANCES WITH COLLECTION AGENCIES, SUBJECT TO THE TERMS OF CERTAIN RESTRICTIONS ON COLLECTI ON EFFORTS AS DETERMINED BY THE HOSPITAL ACCOUNTS RECEIVABLE ARE WRITTEN OFF AFTER COLLEC TION EFFORTS HAVE BEEN FOLLOWED IN ACCORDANCE WITH THE HOSPITAL'S POLICIES " IN 2011, THE ORGANIZATION CONTINUED ITS ENHANCED PROCESS FOR OBTAINING ADDITIONAL FINANCIAL INFORMATION FOR UNINSURED AND UNDER-INSURED PATIENTS WHO HAVE NOT SUPPLIED THE REQUISITE INFORMATION TO DETERMINE IF THEY QUALIFY FOR CHARITY CARE THE ADDITIONAL INFORMATION OBTAINED WAS USE D BY THE ORGANIZATION TO DETERMINE WHETHER TO QUALIFY PATIENTS FOR CHARITY CARE IN ACCORDA NCE WITH THE ORGANIZATION'S POLICY THE APPLICATION OF THIS ADDITIONAL INFORMATION IN 2011 RESULTED IN ADDITIONAL PATIENTS QUALIFYING FOR CHARITY CARE AND THUS RE-CLASSIFYING THIS AMOUNT FROM BAD DEBT EXPENSE BAD DEBT EXPENSE ON PART III, LINE 2 REPRESENTS ESTIMATED UN COLLECTIBLE CHARGES FOR THOSE PATIENTS UNWILLING NOT UNABLE TO PAY Bad Debt Costing Metho dology Bad Debt Expense is recorded using the valuation method as outlined in Healthcare Financial Management Association Statement 15, which requires bad debt expense to be recor ded at the amount that the payer is expected to pay The provision for bad debts represent s estimated uncollectible charges of patients unwilling to pay In 2011, the organization continued its enhanced process for obtaining additional financial information for uninsure d and underinsured patients who have not supplied the requisite information to determine i f they qualify for charity care The application of this additional information in 2011 re sulted in additional patients qualifying for charity care and a reduction to bad debt expe nse Part III, Line 8 Medicare Costing Methodology used to determine amount reported on l ine 6 The organization used the filed 2011 CMS Cost Report to determine the Medicare allo wable costs of care relating to payments received from Medicare Part III, Line 9b At suc h time that a patient expresses a financial concern, the patient will be offered the oppor tunity to apply for charity care Once the patient submits the completed charity care appl ication, the account is placed on hold and all collection activities are suspended until a n eligibility determination is made If the patient is eligible for charity care, then the patient is notified of the level of charity care awarded If 100% charity care awarded, t hen no bill is sent to the patient If less than 100% charity care is awarded, than the pa tient will receive a bill pursuant to the private pay collection policy Only after patien t's liability has been determined following processing of applications for government assi stance, charity care, and/or insurance carrier remittance will the patient statement be ma iled for payment recovery The hospital's collection policies apply to all patient types o f the hospital MEASURES TO PUBLICIZE FINANCIAL ASSISTANCE POLICY PART V, SEC B, LINE 13G ALSO LOCATED IN OUTPATIENT SETTINGS AND LAB DEPOTS MAXIMUM CHARGES UNDER FINANCIAL ASSIS TANCE POLICY PART V, SEC B, LINE 19D Actual charges are billed, less 30% discount, plus 9 63% NYS Surcharge NEEDS ASSESSMENT PART VI, LINE 2 Through a twelve year collaborative e ffort with Monroe County Department of Public Health, Rochester General Health System (the parent of Rochester General Hospital (R

Additional Data

Software ID:
Software Version:
EIN: 16-0743134
Name: THE ROCHESTER GENERAL HOSPITAL

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 from largest to smallest) How many non-hospital facilities did the organization operate during the tax year? 43 Name and address	Type of Facility (Describe)
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
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RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
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RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
RGMG ASTHMAALLERGY IMMUNOLOGY & RHEUM 222 ALEXANDER ST MONROE COURT ROCHESTER, NY 14607	FAMILY MED PRACTICE
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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

2011

Open to Public Inspection

Name of the organization
THE ROCHESTER GENERAL HOSPITAL

Employer identification number
16-0743134

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. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . . ▶ ☐

(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 SOCIETY1120 GOODMAN STREET ROCHESTER,NY 14620	16-0743902	501(c)(3)	14,000				SPONSORSHIP
(2) AMERICAN DIABETES ASSOCIATION260 ALLENS CREEK ROCHESTER,NY 14618	13-1623888	501(c)(3)	7,500				sponsorship
(3) HILLSIDE CHILDREN'S FOUNDATIONPO BOX 23805 ROCHESTER,NY 14692	16-1493404	501(c)(3)	8,400				sponsorship
(4) GILDA'S CLUB255 ALEXANDER STREET ROCHESTER,NY 14607	16-0836556	501(c)(3)	25,000				SPONSORSHIP
(5) AMERICAN HEART ASSOCIATION1 UNION STREET SUITE 301 ROBBINSVILLE,NJ 08691	13-5613797	501(c)(3)	28,000				SPONSORSHIP

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 5

3 Enter total number of other organizations listed in the line 1 table . . . . . ▶

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
Description of Organization's Procedures for Monitoring the Use of Grants	Schedule I, Part I, Line 2	Check requests and purchase orders are reviewed for appropriate authorization and use of funds prior to issuance of payment RGH only makes contributions to other 501(c)(3) organizations

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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

2011

Open to Public Inspection

Name of the organization
THE ROCHESTER GENERAL HOSPITAL

Employer identification number
16-0743134

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**	Yes	
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**	Yes	
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?	**4a**		No
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 Schedule J-1 if additional space 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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(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				
(1) MARK C CLEMENT	(i)	557,585	491,511	42,722	643,533	3,894	1,739,245	228,045
	(ii)	122,397	107,893	9,378	141,263	855	381,786	50,059
(2) ROBERT MAYO MD	(i)	295,141	42,000	16,438	55,244	4,735	413,558	0
	(ii)	0	0	0	0	0	0	0
(3) GARY WAHL MD until 0611	(i)	173,599	116,584	13,542	62,273	8,668	374,666	0
	(ii)	0	0	0	0	0	0	0
(4) VINCENT CHANG	(i)	787,816	460,744	16,500	104,030	7,694	1,376,784	0
	(ii)	0	0	0	0	0	0	0
(5) MOHAMED SALEH ALSALAHI	(i)	568,534	0	0	41,091	6,470	616,095	0
	(ii)	0	0	0	0	0	0	0
(6) MICHAEL PICHICHERO	(i)	287,496	542,967	7,374	41,073	5,149	884,059	0
	(ii)	0	0	0	0	0	0	0
(7) SYED MUSTAFA	(i)	287,184	219,616	16,500	17,721	4,620	545,641	0
	(ii)	0	0	0	0	0	0	0
(8) PATRICK RIGGS	(i)	489,162	0	0	75,841	15,947	580,950	0
	(ii)	0	0	0	0	0	0	0
(9) ROBERT NESSELBUSH	(i)	294,181	203,569	32,277	203,459	6,110	739,596	60,889
	(ii)	64,576	44,686	7,085	44,662	1,341	162,350	13,366
(10) HUGH THOMAS	(i)	255,459	143,837	36,965	164,027	6,484	606,772	55,353
	(ii)	56,076	31,574	8,114	36,006	1,423	133,193	12,151
(11) RICHARD GANGEMI	(i)	285,439	169,707	39,199	162,617	3,558	660,520	71,983
	(ii)	46,467	27,627	6,381	26,472	579	107,526	11,718
(12) Brian Jepson	(i)	329,349	87,047	33,000	181,759	6,749	637,904	0
	(ii)	0	0	0	0	0	0	0

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
Supplemental Compensation Information		AS PART OF THEIR COMPENSATION PACKAGE, THE OFFICERS AND KEY EMPLOYEES LISTED ON 990, PART VII ARE ELIGIBLE TO UTILIZE SPECIFIC CHARTER TRAVEL ARRANGEMENTS TO CONDUCT BUSINESS OF THE ORGANIZATION THIS BENEFIT IS UTILIZED TO MAKE THE BEST USE OF THE OFFICER'S TIME WHEN THERE ARE TIME CONSTRAINTS AND/OR LIMITED AVAILABILITY OF NON-STOP FLIGHTS SOCIAL CLUB DUES SCHEDULE J, PART I, LINE I AS PART OF THEIR COMPENSATION PACKAGE, THE CEO AND OTHER KEY EMPLOYEES, OFFICERS OR TRUSTEES LISTED ON 990, PART VII (WITH APPROVAL OF THE CEO) ARE ELIGIBLE TO RECEIVE REIMBURSEMENT FOR THE INITIATION OR MONTHLY DUES RELATED TO A SPECIFIC SOCIAL OR RECREATIONAL CLUB THESE BENEFITS HAVE BEEN INCLUDED IN THE EMPLOYEES FORM W-2 AS TAXABLE COMPENSATION AS REQUIRED
SUPPLEMENTAL NON-QUALIFIED RETIREMENT PLAN	Schedule J, Part I, line 4B	THE ORGANIZATION MAINTAINS A SECTION 457(F) PLAN WHICH WOULD BE CONSIDERED A SUPPLEMENTAL NON-QUALIFIED RETIREMENT PLAN DURING 2011, NO DISTRIBUTIONS WERE PAID OUT THE FOLLOWING OFFICERS AND KEY EMPLOYEES LISTED ON FORM 990, PART VII, SECTION A WOULD BE ELIGIBLE PARTICIPANTS IN THE PLAN SINCE THEY WOULD BE ENTITLED TO A DISTRIBUTION UPON SEPARATION FROM SERVICE HUGH THOMAS ROBERT NESSELBUSH RICHARD GANGEMI, MD ROBERT MAYO

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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

2011

Open to Public Inspection

Name of the organization
THE ROCHESTER GENERAL HOSPITAL

Employer identification number
16-0743134

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	DORMITORY AUTHORITY OF THE STATE OF NEW YORK	14-6000293	64983QGM5	06-09-2005	75,349,964	SEE PART VI		X		X		X
B	DORMITORY AUTHORITY OF THE STATE OF NEW YORK	14-6000293	000000000	08-26-2004	9,935,713	CAPITAL EQUIPMENT		X		X		X
C	DORMITORY AUTHORITY OF THE STATE OF NEW YORK	14-6000293	000000000	08-18-2011	54,969,282	CAPITAL EQUIPMENT & SOFTWARE		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	0	0	0	
2	Amount of bonds defeased	20,051,527	0	0	
3	Total proceeds of issue	75,369,516	9,935,713	54,978,990	
4	Gross proceeds in reserve funds	5,217,710	0	0	
5	Capitalized interest from proceeds	4,852,607	0	0	
6	Proceeds in refunding escrow	20,051,527	0	0	
7	Issuance costs from proceeds	1,506,999	50,713	169,282	
8	Credit enhancement from proceeds	2,162,729	0	0	
9	Working capital expenditures from proceeds	0	0	0	
10	Capital expenditures from proceeds	41,577,942	9,885,000	54,809,708	
11	Other spent proceeds	0	0	0	
12	Other unspent proceeds	0	0	0	
13	Year of substantial completion	2009	2004	2011	

		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	If 'Yes' to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
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 ▶		0 004 %		0 004 %		0 004 %		
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 %		0 %		0 %		
6	Total of lines 4 and 5		0 004 %		0 004 %		0 004 %		
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	0		0		0			
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								
4a	Were gross proceeds invested in a GIC?		X		X		X		
b	Name of provider	0		0		0			
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 Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations . . . . . ☑ Yes ☐ No

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation
PURPOSE OF BOND ISSUE-SCH K, PT I, LN A, COL (F) PURPOSE OF ISSUE WAS TO	DEFEASE OUTSTANDING 1993 BONDS & FINANCE HOSPITAL RENOVATIONS/EXPANSION	
TOTAL PROCEEDS-PART II, LINE 3 TOTAL PROCEEDS PT II, LINE 3, COL (A)	DIFFERS FROM ISSUE PRICE DUE TO INVESTMENT EARNINGS OF $19,552	
TOTAL PROCEEDS-PART II, LINE 3 TOTAL PROCEEDS PT II, LINE 3, COL (C)	DIFFERS FROM ISSUE PRICE DUE TO INVESTMENT EARNINGS OF $9,708	
PART II, LINE 10 CAPITAL EXPENDITURES FROM PROCEEDS	$30 MILLION WAS REIMBURSED DURING 2011	

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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

2011

Open to Public Inspection

Name of the organization
THE ROCHESTER GENERAL HOSPITAL

Employer identification number
16-0743134

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS AND MEMBERSHIP RIGHTS	FORM 990, PART VI, QUESTIONS 6	THE ORGANIZATION IS A MEMBERSHIP (NOT A STOCK) CORPORATION UNDER THE NEW YORK STATE LAW THE ORGANIZATION'S SOLE CORPORATE MEMBER IS ROCHESTER GENERAL HEALTH SYSTEM (RGHS), A RELATED NOT-FOR-PROFIT ORGANIZATION

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS AND MEMBERSHIP RIGHTS	FORM 990, PART VI, QUESTION 7A	IN ACCORDANCE WITH THE TERMS AND REQUIREMENTS OF ITS GOVERNING DOCUMENTS (I E BYLAWS), THE ORGANIZATION'S DIRECTORS ARE DIVIDED INTO THREE CLASSES, AND THE CLASSES SERVE FOR STAGGERED THREE-YEAR TERMS AT EACH ANNUAL MEETING, DIRECTORS IN A CLASS ARE ELECTED BY A MAJORITY VOTE OF THE DIRECTORS THEN IN OFFICE DIRECTORS ARE ELECTED FROM AMONG NOMINEES CHOSEN BY THE GOVERNANCE AND NOMINATING COMMITTEE OF THE FILING ORGANIZATION'S SOLE CORPORATE MEMBER, ROCHESTER GENERAL HEALTH SYSTEM

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS AND MEMBERSHIP RIGHTS	FORM 990M PART VI, QUESTION 7B	ROCHESTER GENERAL HEALTH SYSTEM, AS THE SOLE CORPORATE MEMBER, ALSO HAS THE RIGHT TO APPROVE OR RATIFY SIGNIFICANT DECISIONS OF THE ORGANIZATION'S GOVERNING BODY INCLUDING THE AMENDMENT OF BYLAWS AND CHARTERS, REMOVAL OF MEMBERS OF THE GOVERNING BODY, AND THE DECISION TO DISSOLVE THE ORGANIZATION

Identifier	Return Reference	Explanation
REVIEW PROCESS FOR THE FORM 990	FORM 990, PART VI, QUESTION 11B	PRIOR TO FILING, FORM 990 IS PROVIDED TO ALL MEMBERS OF THE GOVERNING BOARD FOR THEIR REVIEW IN ADDITION, PRIOR TO FILING, THE FORM 990 IS REVIEWED BY THE FOLLOWING MEMBERS OF THE GOVERNING BODY OF ROCHESTER GENERAL HEALTH SYSTEMS, A RELATED NOT FOR PROFIT ORGANIZATION AND THE SOLE CORPORATE MEMBER OF THE FILING ORGANIZATION 1) THE CHAIRMAN OF THE BOARD OF DIRECTORS AND 2) THE GOVERNANCE AND NOMINATING COMMITTEE THIS REVIEW IS PERFORMED IN CONSULTATION WITH THE ORGANIZATION'S TAX ADVISORS, ERNST & YOUNG, LLP AND IS BASED ON THE ORGANIZATION'S AUDITED FINANCIAL STATEMENTS AND OTHER RELEVANT INFORMATION FOR THE APPROPRIATE TIME PERIOD

Identifier	Return Reference	Explanation
CONFLICT OF INTEREST POLICY	FORM 990, PART VI, QUESTION 12C	UPON EMPLOYMENT, ALL EMPLOYEES RECEIVE THE ETHICAL STANDARD OF CONDUCT BOOKLET FOR WHICH THEY SIGN A RECEIPT OF ACKNOWLEDGEMENT CONFLICT OF INTEREST IS DEFINED, AS IS MANAGEMENT OF A CONFLICT OF INTEREST EMPLOYEES ARE REQUIRED TO DISCLOSE AND SEEK RESOLUTION TO ANY ACTUAL OR POTENTIAL CONFLICT OF INTEREST BEFORE TAKING A POTENTIALLY IMPROPER ACTION AND THEREAFTER, ANNUALLY, EACH EMPLOYEE AND OFFICER OF THE ORGANIZATION IS REQUIRED TO COMPLETE A CONFLICT OF INTEREST AND DISCLOSURE FORM, PROVIDING MANAGEMENT WITH SUFFICIENT INFORMATION ABOUT HIS/HER PERSONAL INTERESTS AND RELATIONSHIPS SO THAT MANAGEMENT CAN (1) DETERMINE WHETHER ANY ACTUAL OR PERCEIVED CONFLICT OF INTEREST EXISTS, AND (2) MONITOR WORK ASSIGNMENTS TO AVOID PLACING THE KEY EMPLOYEE OR OFFICER IN A POSITION WHERE THERE MAY BE A QUESTION AS TO HIS/HER OBJECTIVITY AS WELL AS TO AVOID ANY APPEARANCE OF IMPROPRIETY THROUGHOUT THE YEAR, KEY EMPLOYEES AND OFFICERS OF THE ORGANIZATION ARE ALSO REQUIRED TO NOTIFY MANAGEMENT PROMPTLY IF ANY CHANGE TO THEIR DISCLOSURES OCCURS IN ADDITION, EACH MEMBER OF THE BOARD OF DIRECTORS MUST ALSO COMPLETE A CONFLICT OF INTEREST AND DISCLOSURE FORM, WHICH MUST BE SUBMITTED TO THE GENERAL COUNSEL BOARD MEMBERS LEAVE THE ROOM DURING DISCUSSIONS AND ABSTAIN FROM VOTING WHEN THEY HAVE A CONFLICT OF INTEREST IN ADDITION TO THE BOARD OF DIRECTORS, THE ORGANIZATION'S MANAGERS AND DIRECTORS WHO OVERSEE ITS OPERATIONS COMPLETE A CONFLICT OF INTEREST FORM ANNUALLY AS WELL

Identifier	Return Reference	Explanation
COMPENSATION APPROVAL PROCESS	FORM 990, PART VI, LINE 15A & B	THE ORGANIZATION'S OFFICER AND KEY EMPLOYEE COMPENSATION ARRANGEMENTS ARE REVIEWED AND APPROVED BY THE COMPENSATION COMMITTEE OF ROCHESTER GENERAL HOSPITAL INFORMATION REVIEWED FOR THE OFFICER/KEY EMPLOYEE INCLUDES COMPARABLE DATA FROM SIMILAR SIZE TAX EXEMPT ORGANIZATIONS IN THE WESTERN/CENTRAL NY COMMUNITY AS WELL AS COMPENSATION FOR THESE POSITIONS (AS DISCLOSED ON FORM 990) WITH OTHER ORGANIZATIONS IN THE HEALTH CARE INDUSTRY THAT ARE OF SIMILAR SIZE, DEMOGRAPHICS AND GEOGRAPHY REVIEW AND APPROVAL OF THE COMPENSATION ARRANGEMENT BY THE COMPENSATION COMMITTEE IS DOCUMENTED

Identifier	Return Reference	Explanation
AVAILABILITY OF DOCUMENTS	FORM 990, PART VI, QUESTION 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST AT THE ADMINISTRATIVE OFFICES OF THE AFFILIATED HEALTH SYSTEM AT 100 KINGS HIGHWAY SOUTH, ROCHESTER, NY 14617 AND AT THE ADMINISTRATIVE OFFICES OF THE FILING ORGANIZATION A NOMINAL FEE IS CHARGED IF COPIES ARE REQUESTED

Identifier	Return Reference	Explanation
AVERAGE HOURS DEVOTED TO RELATED ORGANIZATIONS	Form 990, Part VII, Section A, Column B	LINDA BECKER 1 hr/w k Rochester Mental Health Center 1 hr/w k Independent Living for Seniors 1 hr/w k Rochester General Long Term Care 1 hr/w k Rochester General Health System 1 hr/w k Rochester General Hudson Housing MARK CLEMENT 5 hrs/w k New ark-Wayne Community Hospital 1 hr/w k Rochester Mental Health Center 2 hrs/w k Independent Living for Seniors 2 hrs/w k Rochester General Long Term Care 1 hr/w k GRHS Foundation 1 hr/w k Rochester General Health System 1 hr/w k Rochester General Hudson Housing 1 hr/w k Rochester General Hospital Foundation 1 hr/w k New ark-Wayne Community Hospital Foundation ROBERT NESSELBUSH 5 hrs/w k New ark-Wayne Community Hospital 1 hr/w k Rochester Mental Health Center 2 hrs/w k Independent Living for Seniors 2 hrs/w k Rochester General Long Term Care 1 hr/w k GRHS Foundation 1 hr/w k Rochester General Health System 1 hr/w k RGHS Worker's Compensation Trust 1 hr/w k Rochester General Hudson Housing 1 hr/w k Rochester General Hospital Foundation 1 hr/w k New ark-Wayne Community Hospital Foundation HUGH THOMAS 5 hrs/w k New ark-Wayne Community Hospital 1 hr/w k Rochester Mental Health Center 2 hrs/w k Independent Living for Seniors 2 hrs/w k Rochester General Long Term Care 1 hr/w k GRHS Foundation 1 hr/w k Rochester General Health System 1 hr/w k RGHS Worker's Compensation Trust 1 hr/w k Western NY Medical Practice PC RICHARD GANGEMI 6 hrs/w k New ark-Wayne Community Hospital 2 hrs/w k Rochester General Long Term Care 1 hr/w k Western NY Medical Practice PC ROBERT SANDS 1 hr/w k Rochester Mental Health Center 1 hr/w k Independent Living for Seniors 1 hr/w k Rochester General Long Term Care 1 hr/w k Rochester General Health System 1 hr/w k Rochester General Hudson Housing ROBERT DOBIES 1 hr/w k Rochester Mental Health Center 1 hr/w k Independent Living for Seniors 1 hr/w k Rochester General Long Term Care 1 hr/w k Rochester General Health System 1 hr/w k Rochester General Hudson Housing DANIEL MEYERS 1 hrs/w k New ark-Wayne Community Hospital 1 hr/w k Rochester Mental Health Center 1 hrs/w k Independent Living for Seniors 1 hrs/w k Rochester General Long Term Care 1 hr/w k Rochester General Health System 1 hr/w k Rochester General Hudson Housing JOHN L GENIER, MD 1 hr/w k Rochester Mental Health Center 1 hrs/w k Independent Living for Seniors 1 hrs/w k Rochester General Long Term Care 1 hr/w k Rochester General Hudson Housing ROBERT MAYO, MD 1 hr/w k Rochester Mental Health Center 1 hrs/w k Independent Living for Seniors 1 hrs/w k Rochester General Long Term Care 1 hr/w k Rochester General Hudson Housing GARY WAHL, MD 1 hr/w k Rochester Mental Health Center 1 hrs/w k Independent Living for Seniors 1 hrs/w k Rochester General Long Term Care 1 hr/w k Rochester General Health System 1 hr/w k Rochester General Hudson Housing JEANNE GROVE, DO 1 hr/w k Rochester Mental Health Center 1 hrs/w k Independent Living for Seniors 1 hrs/w k Rochester General Long Term Care 1 hr/w k Rochester General Hudson Housing 1 hr/w k Rochester General Hospital Foundation ELAINE SPAULL, PHD 1 hr/w k Rochester Mental Health Center 1 hrs/w k Independent Living for Seniors 1 hrs/w k Rochester General Long Term Care 1 hr/w k Rochester General Hudson Housing JUAN VILLANUEVA 1 hr/w k Rochester Mental Health Center 1 hrs/w k Independent Living for Seniors 1 hrs/w k Rochester General Long Term Care 1 hr/w k Rochester General Hudson Housing MARGARET SANCHEZ 1 hr/w k Rochester Mental Health Center 1 hrs/w k Independent Living for Seniors 1 hrs/w k Rochester General Long Term Care 1 hr/w k Rochester General Hudson Housing THOMAS PENN, MD 1 hr/w k Rochester Mental Health Center 1 hrs/w k Independent Living for Seniors 1 hrs/w k Rochester General Long Term Care 1 hr/w k Rochester General Hudson Housing JOHN RIEDMAN 1 hr/w k Rochester Mental Health Center 1 hrs/w k Independent Living for Seniors 1 hrs/w k Rochester General Long Term Care 1 hr/w k Rochester General Hudson Housing

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	UNREALIZED LOSS ON INVESTMENTS $ (9,402,551) CHANGE IN INTEREST IN NET ASSETS OF RGH FOUNDATION $ (4,530,231) ---------- TOTAL $(13,932,782)

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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

2011

Open to Public Inspection

Name of the organization
THE ROCHESTER GENERAL HOSPITAL

Employer identification number
16-0743134

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) PSYCHIATRIC SERVICES GROUP 1425 Portland Avenue Rochester, NY 14621 16-1464705	Psych Svcs	NY	0	0	RGH

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
See Additional Data Table							

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
(1) LATTIMORE SVCS LLC 125 LATTIMORE ROCHESTERNY ROCHESTER, NY 14620 16-1533823	MGMT SVCS	NY	RGH	RELATED	371,488	1,988,864		No	0	Yes		71 000 %

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) GRACO Risk Retention Group 1425 PORTLAND AVENUE Rochester, NY 14621 71-0933967	Insurance	NY	RGH	C Corp	1,514,701	9,202,449	100 000 %
(2) Greater Rochester Assurance Company Ltd	insurance	CJ	NA	C CORP	0	0	0 %
(3) LATTIMORE COMMUNITY SURGICENTER 125 LATTIMORE ROCHESTER, NY 14620 16-1384448	AMBUL SURG	NY	RGH	C CORP	4,668,947	1,268,639	100 000 %

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 related organization(s)	**1b**	**No**
c	Gift, grant, or capital contribution from related organization(s)	**1c**	**Yes**
d	Loans or loan guarantees to or for related organization(s)	**1d**	**Yes**
e	Loans or loan guarantees by related organization(s)	**1e**	**Yes**
f	Sale of assets to related organization(s)	**1f**	**No**
g	Purchase of assets from related organization(s)	**1g**	**No**
h	Exchange of assets with related organization(s)	**1h**	**No**
i	Lease of facilities, equipment, or other assets to related organization(s)	**1i**	**No**
j	Lease of facilities, equipment, or other assets from related organization(s)	**1j**	**Yes**
k	Performance of services or membership or fundraising solicitations for related organization(s)	**1k**	**Yes**
l	Performance of services or membership or fundraising solicitations by related organization(s)	**1l**	**Yes**
m	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	**1m**	**No**
n	Sharing of paid employees with related organization(s)	**1n**	**Yes**
o	Reimbursement paid to related organization(s) for expenses	**1o**	**Yes**
p	Reimbursement paid by related organization(s) for expenses	**1p**	**Yes**
q	Other transfer of cash or property to related organization(s)	**1q**	**Yes**
r	Other transfer of cash or property from related 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) See Additional Data Table			
(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) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				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
RELATED TAX-EXEMPT ORGANIZATION - PRIMARY ACTIVITY	SCHEDULE R, PART II, COLUMN (B)	RGHS WORKERS' COMPENSATION TRUST SUPPORTS ROCHESTER GENERAL HOSPITAL, NEWARK WAYNE COMMUNITY HOSPITAL, INDEPENDENT LIVING FOR SENIORS, ROCHESTER GENERAL LONG TERM CARE, AND ROCHESTER GENERAL HEALTH SYSTEMS

Additional Data

Return to Form

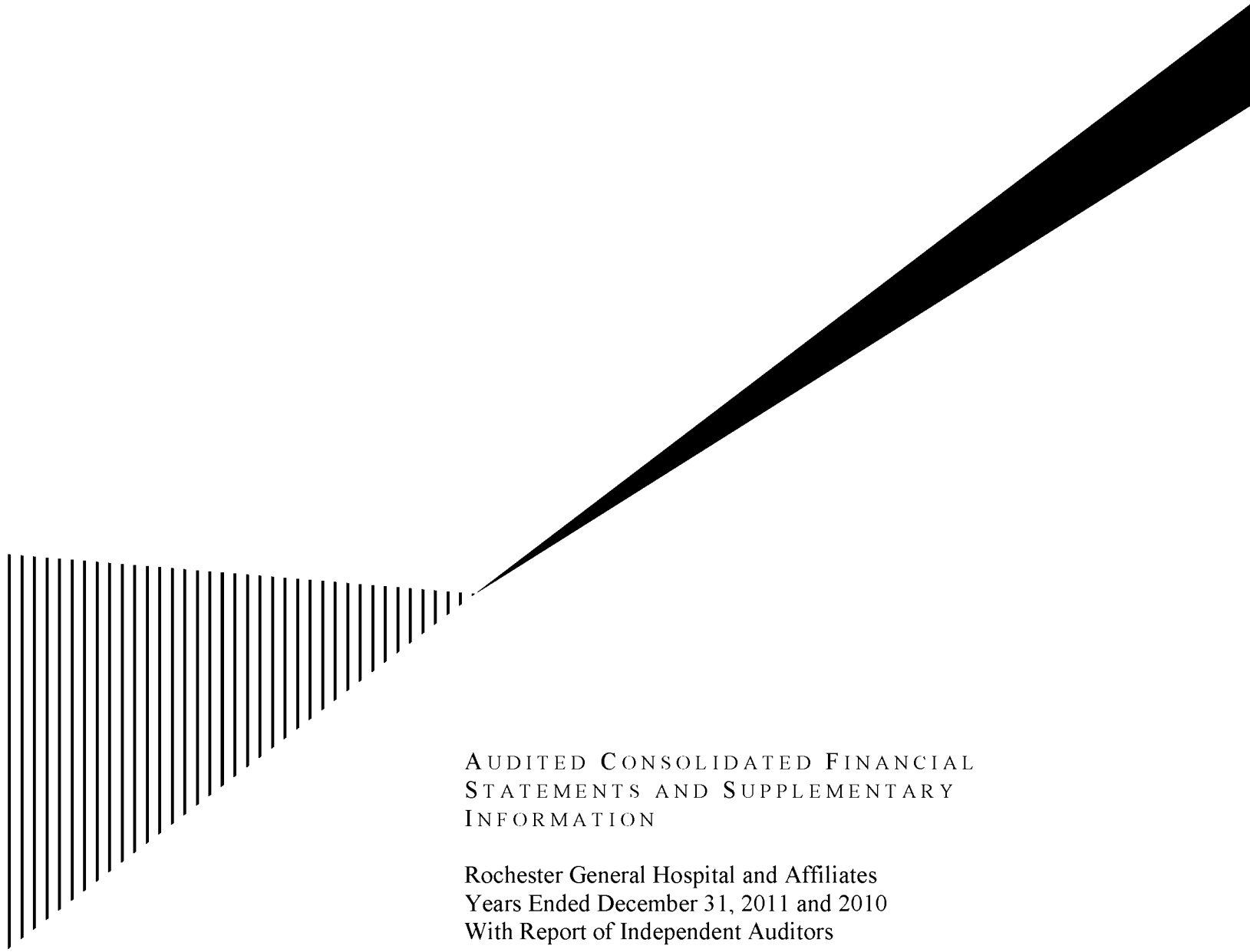
Software ID:
Software Version:
EIN: 16-0743134
Name: THE ROCHESTER GENERAL HOSPITAL

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(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 501(c)(3))	(f) Direct Controlling Entity	g Section 512(b)(13) controlled organization	
ROCHESTER GENERAL HEALTH SYSTEMS 100 KINGS HIGHWAY SOUTH ROCHESTER, NY 14617 22-2551509	SYSTEM PARENT	NY	501(C)(3)	11-Type II	NA		No
ROCHESTER GENERAL HUDSON HOUSING 2066 HUDSON AVENUE ROCHESTER, NY 14621 22-3210351	LOW INC HSING	NY	501(C)(3)	9	RGHS		No
GRHS FOUNDATION 100 KINGS HIGHWAY SOUTH ROCHESTER, NY 14617 22-3378111	R/E INV MGMT	NY	501(C)(3)	11-TYPE II	RGHS		No
THE ROCHESTER GENERAL HOSPITAL FDN 100 KINGS HIGHWAY SOUTH ROCHESTER, NY 14617 22-2229425	FUNDRAISING	NY	501(C)(3)	11-TYPE II	RGHS		No
INDEPENDENT LIVING FOR SENIORS 2066 HUDSON AVENUE ROCHESTER, NY 14617 16-1491059	ADULT DAY HC	NY	501(C)(3)	9	RGHS		No
ROCHESTER GENERAL LONG TERM CARE 1550 EMPIRE BLVD WEBSTER, NY 14580 22-3187140	NH & REHAB	NY	501(C)(3)	9	RGHS		No
ROCHESTER MENTAL HEALTH CENTER 490 EAST RIDGE ROAD ROCHESTER, NY 14621 16-6069131	MENTAL HEALTH	NY	501(C)(3)	9	RGHS		No
Newark-Wayne Community Hospital 1200 driving park avenue newark, NY 14513 15-0584188	hospital	NY	501(c)(3)	3	RGHS		No
RGHS WORKERS' COMPENSATION TRUST 16-6429300	SEE PART VII	NY	501(C)(3)	11-TYPE II	RGHS		No
CONTINUING CARE NETWORK INC (CCN) 22-2963016	SUPPORT RGH	NY	501(C)(3)	11-TYPE II	RGHS		No
WESTERN NEW YORK MEDICAL PRACTICE PC 1425 PORTLAND AVE ROCHESTER, NY 14621 61-1654232	PHYS PRACTICE	NY	501(C)(3)	9	RGHS		No

Form 990, Schedule R, Part V - Transactions With Related Organizations

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	ROCHESTER GENERAL HOSPITAL FOUNDATION	C	3,842,042	FMV
(2)	INDEPENDENT LIVING FOR SENIORS INC	D	2,595,581	FMV
(3)	INDEPENDENT LIVING FOR SENIORS INC	P	92,928	FMV
(4)	INDEPENDENT LIVING FOR SENIORS INC	O	125,404	FMV
(5)	NEWARK WAYNE COMMUNITY HOSPITAL	D	2,085,896	FMV
(6)	ROCHESTER GENERAL LONG TERM CARE	D	2,336,727	FMV
(7)	ROCHESTER GENERAL HOSPITAL FOUNDATION	D	4,433,704	FMV
(8)	RGHS WORKERS' COMPENSATION TRUST	D	10,803,738	FMV
(9)	GREATER ROCHESTER HEALTH SYSTEM FOUNDATION	E	3,351,189	FMV
(10)	GREATER ROCHESTER HEALTH SYSTEM FOUNDATION	D	4,136,413	FMV
(11)	NEWARK WAYNE COMMUNITY HOSPITAL	K	4,104,000	FMV
(12)	GREATER ROCHESTER HEALTH SYSTEM FOUNDATION	J	113,489	FMV
(13)	RGHS WORKERS' COMPENSATION TRUST	Q	4,046,278	FMV
(14)	GREATER ROCHESTER ASSURANCE COMPANY LTD	D	10,887,435	FMV
(15)	WESTERN NEW YORK MEDICAL PRACTICE PC	D	512,606	FMV
(16)	ROCHESTER GENERAL HOSPITAL FOUNDATION	P	1,766,455	FMV



Audited Consolidated Financial Statements and Supplementary Information

Rochester General Hospital and Affiliates
Years Ended December 31, 2011 and 2010
With Report of Independent Auditors

Ernst & Young LLP

Ernst & Young

Rochester General Hospital and Affiliates

Audited Consolidated Financial Statements
and Supplementary Information

Years Ended December 31, 2011 and 2010

Contents

Ernst & Young
Goodwin Square
225 Asylum Street
Hartford, CT 06103
Tel +1 860 247 3100
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www ey com

Report of Independent Auditors

The Board of Directors
Rochester General Hospital

We have audited the accompanying consolidated balance sheets of Rochester General Hospital and Affiliates (the Hospital) as of December 31, 2011 and 2010, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended These financial statements are the responsibility of the Hospital'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 Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement We were not engaged to perform an audit of the Hospital's internal control over financial reporting Our audits included 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 the Hospital'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, and 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 consolidated financial position of Rochester General Hospital and Affiliates at December 31, 2011 and 2010, and the consolidated results of their operations and changes in net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States

As discussed in Note 2 to the accompanying consolidated financial statements, in 2011 the Hospital changed its method of reporting estimated insurance claims receivable and estimated insurance claims liabilities with the adoption of the Accounting Standards Update No 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries.*

Ernst + Young LLP

May 4, 2012

Rochester General Hospital and Affiliates

Consolidated Balance Sheets

	December 31	
	2011	**2010**
Assets		
Current assets		
Cash and cash equivalents	**$ 15,229,483**	$ 17,378,831
Investments	**9,097,107**	8,467,395
Current portion of assets whose use is limited	**577,315**	545,688
Patient accounts receivable, net of allowance for doubtful accounts of approximately $18,075,000 in 2011 and $16,937,000 in 2010	**72,593,065**	56,478,719
Estimated third-party payor receivables	**4,348,446**	4,648,821
Due from affiliates	**39,376,247**	27,252,768
Inventories	**3,145,708**	1,670,433
Prepaid expenses and other	**17,774,021**	15,448,775
Total current assets	**162,141,392**	131,891,430
Assets whose use is limited		
Funds held by bond trustees	**10,114,135**	10,138,972
Board designated	**150,051,103**	149,074,521
Tax-exempt financing fund - capital acquisitions	**23,636,404**	–
Deferred compensation	**1,518,651**	1,577,353
	185,320,293	160,790,846
Property and equipment – net	**230,377,724**	186,144,802
Due from affiliates, net of current portion	**4,136,413**	4,136,413
Other assets		
Interest in net assets of Rochester General Hospital Foundation, Inc	**32,942,031**	37,472,262
Estimated third-party payor receivables	**2,062,196**	1,951,240
Insurance recoveries receivable	**41,702,111**	–
Other	**15,918,083**	15,155,533
	92,624,421	54,579,035
Total assets	**$ 674,600,243**	$ 537,542,526

	December 31	
	2011	2010
Liabilities and net assets		
Current liabilities		
Accounts payable	**$ 27,666,419**	$ 24,963,397
Accrued salaries, vacations, and payroll taxes	**31,813,568**	25,151,159
Accrued expenses	**28,945,153**	23,977,749
Accrued interest payable	**371,306**	237,288
Estimated third-party payor payables	**23,420,415**	25,082,749
Current portion of long-term debt	**11,517,807**	5,220,712
Due to affiliates	**3,351,189**	5,400,831
Total current liabilities	**127,085,857**	110,033,885
Long-term liabilities		
Long-term debt, less current portion	**108,090,291**	65,144,183
Accrued insured and self-insured liabilities	**74,473,709**	30,629,819
Estimated third-party payor payables	**60,471,919**	51,942,121
Deferred compensation	**1,518,651**	1,577,353
Total liabilities	**371,640,427**	259,327,361
Net assets		
Unrestricted	**271,495,287**	243,882,720
Temporarily restricted	**23,358,385**	26,288,582
Permanently restricted	**8,106,144**	8,043,863
Total net assets	**302,959,816**	278,215,165
Total liabilities and net assets	**$ 674,600,243**	$ 537,542,526

See accompanying notes.

Rochester General Hospital and Affiliates

Consolidated Statements of Operations and Changes in Net Assets

	Year Ended December 31	
	2011	**2010**
Unrestricted revenues, gains, and other support		
Net patient service revenue	**$ 693,335,250**	$ 646,423,112
Other revenue, gains and other support	**20,103,911**	19,840,593
Total unrestricted revenues, gains, and other support	**713,439,161**	666,263,705
Expenses		
Salaries and wages	**326,821,800**	301,711,407
Employee benefits	**70,239,703**	70,200,798
Professional fees	**10,433,053**	9,429,927
Purchased services and supplies	**234,587,149**	218,806,739
Depreciation and amortization	**27,302,458**	25,469,344
Provision for bad debts	**14,866,191**	21,069,799
Interest	**3,550,097**	3,048,701
Total expenses	**687,800,451**	649,736,715
Income from operations	**25,638,710**	16,526,990
Loss on sale of property and equipment	**(454)**	–
Investment income, net	**8,837,868**	5,781,418
Excess of revenues over expenses	**$ 34,476,124**	$ 22,308,408

Continued on next page.

Rochester General Hospital and Affiliates

Consolidated Statements of Operations and Changes in Net Assets (continued)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance at January 1, 2010	$ 216,186,771	$ 22,852,334	$ 7,960,616	$ 246,999,721
Excess of revenues over expenses	22,308,408	–	–	22,308,408
Net unrealized gain on investments	4,933,944	–	–	4,933,944
Change in interest in the net assets of Rochester General Hospital Foundation, Inc	355,482	3,996,930	83,247	4,435,659
Capitalization of Rochester General Long Term Care, Inc	(2,597,786)	–	–	(2,597,786)
Contributions for capital acquisitions from Rochester General Hospital Foundation, Inc	1,825,254	2,912	–	1,828,166
Net assets released from restrictions for capital	870,647	(870,647)	–	–
Grants	–	307,053	–	307,053
Increase in net assets	27,695,949	3,436,248	83,247	31,215,444
Balance at December 31, 2010	243,882,720	26,288,582	8,043,863	278,215,165
Excess of revenues over expenses	**34,476,124**	–	–	**34,476,124**
Net unrealized loss on investments	**(9,402,551)**	–	–	**(9,402,551)**
Change in interest in the net assets of Rochester General Hospital Foundation, Inc	**(1,456,575)**	**(3,135,937)**	**62,281**	**(4,530,231)**
Contributions for capital acquisitions	–	**359,267**	–	**359,267**
Transfers from Rochester General Hospital Foundation, Inc	**3,842,042**	–	–	**3,842,042**
Net assets released from restrictions for capital	**153,527**	**(153,527)**	–	–
Increase (decrease) in net assets	**27,612,567**	**(2,930,197)**	**62,281**	**24,744,651**
Balance at December 31, 2011	**$ 271,495,287**	**$ 23,358,385**	**$ 8,106,144**	**$ 302,959,816**

See accompanying notes

Rochester General Hospital and Affiliates

Consolidated Statements of Cash Flows

	Year Ended December 31	
	2011	**2010**
Operating activities		
Increase in net assets	**$ 24,744,651**	$ 31,215,444
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Net unrealized loss (gain) on investments	**9,402,551**	(4,933,944)
Other-than-temporary decline in investments	**299,244**	30,443
Depreciation and amortization	**27,302,458**	25,469,344
Loss on sale of property and equipment	**454**	–
Provision for bad debts	**14,866,191**	21,069,799
Capitalization of affiliates	**–**	2,597,786
Change in interest in the net assets of the Foundation	**4,530,231**	(4,435,659)
Restricted contributions	**(359,267)**	(309,965)
Changes in operating assets and liabilities		
Patient accounts receivable	**(30,980,537)**	(19,259,320)
Estimated third-party payor receivables/payables, net	**7,056,883**	9,624,995
Other current assets	**(3,800,521)**	(4,238,119)
Due from/to affiliates, net	**(14,173,121)**	(10,231,614)
Other non-current assets	**(42,464,662)**	640,397
Accounts payable and other current liabilities	**11,446,091**	(4,261,779)
Other non-current liabilities	**43,785,188**	299,711
Net cash provided by operating activities	**51,655,834**	43,277,519
Investing activities		
Expenditures for property and equipment	**(60,161,990)**	(42,160,851)
Increase in investments – net	**(34,892,581)**	(7,922,221)
Net cash used in investing activities	**(95,054,571)**	(50,083,072)
Financing activities		
Restricted contributions	**359,267**	309,965
Proceeds from issuance of long-term debt	**54,969,281**	8,287,500
Principal payments on long-term debt	**(14,079,159)**	(5,054,623)
Net cash provided by financing activities	**41,249,389**	3,542,842
Net decrease in cash and cash equivalents	**(2,149,348)**	(3,262,711)
Cash and cash equivalents at beginning of year	**17,378,831**	20,641,542
Cash and cash equivalents at end of year	**$ 15,229,483**	$ 17,378,831

See accompanying notes

Rochester General Hospital and Affiliates

Notes to Consolidated Financial Statements

December 31, 2011 and 2010

1. Organization and Consolidation

Rochester General Hospital and Affiliates (the Hospital) is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code The Hospital owns and operates a 528-bed hospital, outpatient clinic, and other related facilities providing medical, surgical, and other health care services in the Rochester, New York area

The Hospital owns 100% of the Class A stock of the GRACO Risk Retention Group (GRACO RRG) GRACO RRG provides professional liability insurance to physicians in the Rochester, New York area The Hospital owns 71% of the membership interest in Lattimore Services Organization, LLC which is a limited liability company organized to provide oversight and administrative services to Lattimore Community Surgicenter, Inc All significant inter-affiliate accounts and transactions have been eliminated in the accompanying consolidated financial statements

The sole corporate member of the Hospital is Rochester General Health System (the System), a New York not-for-profit corporation that coordinates and manages the regional health care services of its affiliates, and is also an organization described in Section 501(c)(3) of the Internal Revenue Code, and exempt from federal income tax pursuant to Section 501(a) of the Code The System is a large regional integrated health care system covering Rochester, New York and surrounding areas of central upstate New York, and is recognized as a regional leader in the proactive delivery of health care services to the communities it serves

The Hospital is affiliated with several other health care corporations, including one hospital (Newark Wayne Community Hospital), a nursing home, an elderly housing complex, two fund raising foundations, and other companies engaged in behavioral health and elderly care, all of which operate as part of the System group of providers Additionally, the Hospital is an insured of the Greater Rochester Assurance Company, Ltd (GRACO), the System's wholly owned offshore captive insurance company established to provide insurance to the affiliates The Hospital also participates in the Rochester General Health System Workers' Compensation Trust (the Trust) in order to provide an efficient mechanism for reserving against potential workers' compensation claims

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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 Estimates also affect the amounts of revenue and expenses reported during the period Actual results could differ from those estimates

Reclassifications

Certain reclassifications were made to 2010 balances previously reported to conform to the current year presentation These reclassifications had no effect on excess of revenues over expenses or net assets

Performance Indicator

The performance indicator is excess of revenues over expenses, which includes all changes in unrestricted net assets other than changes in unrealized gain or loss on investments of other-than-trading securities (excluding other-than-temporary declines in investments), changes in interest in the net assets of the Rochester General Hospital Foundation, Inc (RGH Foundation), transfers of net assets to and from affiliates for capital needs, and contributions of long-lived assets (including assets acquired using contributions which by donor restriction are to be used for the purpose of acquiring such assets) and their release from restrictions for the intended purpose

Net Patient Service Revenue

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and includes estimated retroactive revenue adjustments due to ongoing and future audits, reviews, and investigations The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, reimbursed costs, and per diem payments Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations Net retroactive adjustments increased net patient service revenue by approximately $211,000 in 2011 and decreased by $288,000 in 2010

2. Summary of Significant Accounting Policies (continued)

Non-Medicare Reimbursement

In New York State, hospitals and all non-Medicare payors, except Medicaid, workers' compensation, and no-fault insurance programs, negotiate hospitals' payment rates If negotiated rates are not established, payors are billed at hospitals' established charges Medicaid, workers' compensation, and no-fault payors pay hospital rates promulgated by the New York State Department of Health Effective December 1, 2009, the New York State payment methodology was updated such that payments to hospitals for Medicaid, workers' compensation, and no-fault inpatient services are based on a statewide prospective payment system, with retroactive adjustments, prior to December 1, 2009, the payment system provided for retroactive adjustments to payment rates, using a prospective payment formula Outpatient services also are paid based on a statewide prospective system that was effective December 1, 2008 Medicaid rate methodologies are subject to approval at the federal level by the Centers for Medicare and Medicaid Services (CMS), which may routinely request information about such methodologies prior to approval Revenue related to specific rate components that have not been approved by CMS is not recognized until the Hospital is reasonably assured that such amounts are realizable Adjustments to the current and prior years' payment rates for those payors will continue to be made in future years

Medicare Reimbursement

Hospitals are paid for most Medicare inpatient and outpatient services under the national prospective payment system and other methodologies of the Medicare program for certain other services Federal regulations provide for certain adjustments to current and prior years' payment rates, based on industry-wide and hospital-specific data

The Hospital has established estimates, based on information presently available, of amounts due to or from Medicare and non-Medicare payors for adjustments to current and prior years' payment rates, based on industry-wide and Hospital-specific data The current Medicaid, Medicare, and other third-party payor programs are based upon extremely complex laws and regulations that are subject to interpretation Medicare cost reports, which serve as the basis for final settlement with the Medicare program, have been audited by the Medicare fiscal intermediary and settled through 2005 Subsequent years remain open for audit and settlement as well as numerous issues related to the New York State Medicaid program for prior years As a result, there is at least a reasonable possibility that recorded estimates will change by a material

2. Summary of Significant Accounting Policies (continued)

amount when open years are settled and additional information is obtained Additionally, non-compliance with such laws and regulations could result in fines, penalties, and exclusion from such programs The Hospital is not aware of any allegations of non-compliance that could have a material adverse effect on the consolidated financial statements and believes that it is in compliance with all applicable laws and regulations

There are various proposals at the federal and state levels that could, among other things, significantly reduce payment rates or modify payment methods The ultimate outcome of these proposals and other market changes, including the potential effects of health care reform that has been enacted by the federal and state governments, cannot presently be determined Future changes in the Medicare and Medicaid programs and any reduction of funding could have an adverse impact on the Hospital Additionally, certain payors' payment rates for various years have been appealed by the Hospital If the appeals are successful, additional income applicable to those years might be realized

Revenue from the Medicare and Medicaid programs accounted for approximately 44% and 13%, respectively, of the Hospital's net patient revenue for 2011 (45% and 12% in 2010)

Provision for Bad Debts

The provision for bad debts is based upon management's assessment of historical and expected net collections considering historical business and economic conditions, trends in health care coverage, and other collection indicators Periodically throughout the year, management assesses the adequacy of the allowance for doubtful accounts based upon historical write-off experience by payor category The results of this review are then used to make any modifications to the provision for bad debts to establish an appropriate allowance for doubtful accounts After satisfaction of amounts due from insurance, the Hospital follows established guidelines for placing certain past due patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by the Hospital Accounts receivable are written-off after collection efforts have been followed in accordance with the Hospital's policies

Uncompensated Care and Charity Care

As discussed in Recent Accounting Pronouncements, the Hospital adopted Accounting Standards Update No (ASU) 2010-23, *Measuring Charity Care for Disclosure*, for the fiscal year beginning January 1, 2011 This change requires that charity care be reported at estimated direct and indirect costs The Hospital utilized a cost-to-charge ratio methodology for the cost analysis

2. Summary of Significant Accounting Policies (continued)

The Hospital accepts all patients, regardless of their ability to pay, pursuant to its established policies Management considers uncompensated care to include three elements charity care, bad debts, and governmental shortfall

The established policies define charity services as those medically necessary services for which patients have the obligation and willingness to pay but do not have the ability to pay Patients that provide the necessary information to qualify for charity are provided services at a reduced fee, or no fee

During the registration, billing, and collection process, a patient's eligibility for charity care is determined Care given to patients who are determined to be eligible for charity care under the Hospital's charity care policy, but not paid for, is classified as charity care Charity care is excluded from patient service revenue, and the cost of providing such care is recognized within operating expenses Care given to patients who were determined by the Hospital to have the ability to pay but did not, are deemed uncollectible and classified as bad debt expense Distinguishing between bad debt and charity care is difficult in part because services are often rendered prior to full evaluation of a patient's ability to pay

The Hospital receives certain funds to offset or subsidize charity services provided, which are included in net patient service revenue These funds are primarily received from uncompensated care programs sponsored by New York State, whereby healthcare providers within the State pay into an uncompensated care fund and the pooled funds are then redistributed based on specific criteria

Governmental shortfall is management's estimate of the difference between the payments received for and the cost of care provided to patients who are covered by the government entitlement program of Medicaid A summary of the estimates of uncompensated care follows for the years ending December 31

	2011	2010
Charity care, estimated at cost	**$ 17,900,000**	$ 9,609,000
Funds received to offset or subsidize charity services	**10,722,000**	11,450,000
Provision for bad debt	**14,866,000**	21,070,000
Governmental shortfall	**17,324,000**	15,237,000

2. Summary of Significant Accounting Policies (continued)

Concentration of Patient Accounts Receivable

Patient accounts receivable consist of amounts due from government programs, commercial insurance companies, private pay patients, and other group insurance programs The Hospital maintains an allowance for doubtful accounts based on the expected collectibility of accounts receivable The significant concentrations of accounts receivable for services to patients include the following at December 31

	2011	2010
Self pay	**18%**	20%
Medicare	**18**	18
Preferred Care/MVP	**15**	16
Excellus	**26**	21
Medicaid	**6**	8
Other third-party payors	**17**	17
	100%	100%

Cash Equivalents

The Hospital considers all highly liquid investments with original maturities of three months or less to be cash equivalents Cash equivalents are measured at fair value in the consolidated balance sheets and exclude amounts restricted, board designated, or held in trusts

Inventories

Inventories (primarily supplies) are stated at the lower of cost (first-in, first-out method) or market

2. Summary of Significant Accounting Policies (continued)

Investments and Assets Whose Use is Limited

Investments and assets whose use is limited consist of financial instruments directly owned by the Hospital and the Hospital's allocated share of a pooled investment fund administered by the System (Pooled Investment Fund) Investments owned directly by the Hospital are recorded at fair value The Hospital's share of the Pooled Investment Fund is recorded at the Hospital's unitized investment value which is increased or decreased based on allocated investment earnings Interest, dividends, and realized and unrealized gains and losses related to the Pooled Investment Fund administered by the System are allocated to Pooled Investment Fund participants based upon their pro rata share of the investments

Assets whose use is limited are amounts that have been designated by the System Board of Directors for future capital improvements and facility use, amounts held in escrow under the 2011 tax-exempt financing agreement (discussed further in Note 5) for capital equipment purchases, amounts deposited with trustees under a mortgage bond indenture agreement, and amounts deposited with trustees for deferred compensation agreements

Investment income or loss (including realized gains and losses on investments, interest income, other-than-temporary impairment, and dividends) is included in the excess of revenues over expenses Unrestricted investment income or loss is reported as other revenue, except for investment income or loss on board designated and capital improvement fund investments which is reported as non-operating gains or losses Unrealized gains and losses on investments are reflected as increases or decreases in unrestricted net assets, except for unrealized losses considered to be other-than-temporary

Fair Value Measurement

Fair value measurements are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

2. Summary of Significant Accounting Policies (continued)

The framework for measuring fair value is comprised of a three-level hierarchy 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

Level 2 – inputs to the valuation methodology include quoted prices for similar assets or 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 financial instrument

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

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement

The following is a description of the Hospital's valuation methodologies for investments and the System's valuation methodology for the Pooled Investment Fund Fair value for Level 1 is based upon quoted market prices Fair value for Level 2 is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets Inputs are obtained from various sources including market participants, dealers, and brokers

Financial Instruments

The carrying values of cash and cash equivalents, accounts receivable, and accounts payable are reasonable estimates of fair value due to the short-term nature of these financial instruments Investments owned directly by the Hospital are recorded at fair value The Hospital's share of the Pooled Investment Fund is recorded at amounts reported to the Hospital from the System The System records the pooled investments at fair value, except for certain amounts related to limited partnerships that are recorded at either cost or utilizing the equity method of accounting The valuation of cost basis limited partnerships is evaluated annually for impairment

2. Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are recorded at cost, less allowances for depreciation Depreciation is provided for in amounts sufficient to amortize the cost of the related assets, on a straight-line basis, over their estimated useful lives Equipment under capital lease obligations is amortized on a straight-line basis over the shorter period of the lease term or the estimated useful life of the equipment, and reported in depreciation and amortization in the accompanying consolidated statements of operations and changes in net assets Expenditures for routine repairs and maintenance are charged to operations as incurred

Expenditures for software purchases and software developed for internal use are capitalized and reported within equipment Depreciation is provided on a straight-line basis over the estimated useful lives, which are generally three to ten years For software developed for internal use, certain costs are capitalized, including external direct costs of materials and services associated with developing or obtaining the software, and payroll and payroll-related costs for employees who are directly associated with internal-use software projects Capitalization of these costs cease no later than the point at which the project is substantially complete and ready for its intended use Costs associated with the preliminary project stage activities, training, maintenance, and other post-implementation stage activities are expensed as incurred During 2011, the Hospital implemented an electronic medical records system and capitalized approximately $35,881,000 of internally developed software, which will be depreciated over ten years

Gifts of long-lived assets such as land, buildings, or equipment are reported as an addition to unrestricted net assets, and are excluded from the excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support Absent explicit donor stipulations as to how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service

2. Summary of Significant Accounting Policies (continued)

Impairment of Long-Lived Assets

The Hospital evaluates the recoverability of long-lived assets and the related estimated remaining useful lives at each balance sheet date The Hospital would record an impairment charge or change the useful life if events or changes in circumstances indicated that the carrying amount may not be recoverable or the remaining useful life has changed

Interest in Net Assets of RGH Foundation

The Hospital and the RGH Foundation are deemed to be financially interrelated organizations Accordingly, the Hospital records its interest in the net assets of RGH Foundation as a non-current asset and as unrestricted, temporarily restricted, and permanently restricted net assets, as appropriate

Deferred Financing Costs

Deferred financing costs are being amortized using the effective interest method over the term of the related obligation and are included as a component of other long-term assets in the accompanying consolidated balance sheets Deferred financing costs approximated $1,696,000 and $2,257,000, net of accumulated amortization of approximately $2,734,000 and $2,288,000 at December 31, 2011 and 2010, respectively

Permanently and Temporarily Restricted Net Assets

Permanently restricted net assets consist of amounts restricted by donors to be maintained by the Hospital in perpetuity Temporarily restricted net assets are used to differentiate resources, the use of which is restricted by donors or grantors to a specific time period or purpose, from resources on which no restrictions have been placed or that arise from the general operations of the Hospital Temporarily restricted gifts and bequests are reported as an addition to temporarily restricted net assets in the period received When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reported as other revenue in the consolidated statements of operations and changes in net assets as net assets released from restrictions

2. Summary of Significant Accounting Policies (continued)

Unconditional promises to give cash and other assets to the Hospital are reported at fair value at the date the promise is received Conditional promises to give and indications of intentions to give are reported at fair value at the date the cash or donated asset is received and applicable conditions are satisfied No amounts have been reflected in the consolidated financial statements for donated services However, many individuals volunteer time and perform a variety of tasks that assist the Hospital with various programs

At December 31, 2011 and 2010, temporarily and permanently restricted net assets include the beneficial interest in net assets of RGH Foundation

Temporarily restricted net assets are available for the following purposes at December 31

	2011	2010
Education and research	**$ 8,218,462**	$ 8,493,974
Equipment and facility improvements	**5,023,126**	7,921,455
Hospital support and clinical programs	**10,116,797**	9,873,153
	$ 23,358,385	$ 26,288,582

Permanently restricted net assets are available for the following purposes at December 31

	2011	2010
Education and research	**$ 818,655**	$ 816,896
Hospital support and clinical programs	**7,287,489**	7,226,967
	$ 8,106,144	$ 8,043,863

Consolidated Statement of Cash Flows

Capital leases for equipment of approximately $8,353,000 and $2,521,000 were entered into in 2011 and 2010, respectively They are excluded from the consolidated statements of cash flows and will be reflected through principal payments as financing activities in future periods Additionally, accounts payable and accrued expenses related to purchases of equipment of approximately $7,937,000 and $4,916,000 at December 31, 2011 and 2010, respectively, were excluded from the consolidated statements of cash flows and will be reflected when paid

2. Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued ASU 2010-06, *Improving Disclosures about Fair Value Measurements* ASU 2010-06 amended Accounting Standards Codification (ASC) 820 to clarify certain existing fair value disclosure requirements and require a number of additional disclosures, which were adopted in 2010, with the exception of the requirement to present changes in Level 3 measurements on a gross basis, which was delayed until 2011 In 2011, the Hospital adopted the remainder of ASU 2010-06 The adoption of this guidance did not have a significant impact on the Hospital's financial statements for the year ended December 31, 2011

In August 2010, the FASB issued ASU 2010-23, *Measuring Charity Care for Disclosure* The provisions of ASU 2010-23 are intended to reduce the diversity in how charity care is calculated and disclosed by health care entities Charity care is required to be measured at cost, defined as the direct and indirect costs of providing the charity care This new guidance became effective for fiscal years beginning after December 15, 2010, with early application permitted The Hospital adopted the required components of this guidance in 2011

In August 2010, the FASB issued ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries* ASU 2010-24 addresses the diversity in the accounting for medical malpractice and similar liabilities and their related anticipated insurance recoveries by health care entities that mostly have netted insurance recoveries against the accrued liability, although some have presented the anticipated insurance recovery and the liability on a gross basis The amendments to ASC 954 clarify that a health care entity should not net insurance recoveries against a related claim liability, the amount of the claim liability should be determined without consideration of insurance recoveries The Hospital adopted the required components of this guidance in 2011 As a result of the adoption of this standard, the Hospital increased other non-current assets and accrued insured and self insured liabilities by approximately $41,702,000

In July 2011, the FASB issued ASU 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* The guidance requires certain health care entities to reclassify in the statement of operations the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenues (net of contractual allowances and discounts) In addition, the guidance requires enhanced disclosures about policies for recognizing revenue, assessing bad debts and qualitative and quantitative information about the changes in the allowance for doubtful accounts The guidance becomes effective for fiscal years beginning after December 15, 2012, with early adoption permitted The Hospital is evaluating the effect ASU 2011-07 will have on its financial statements

3. Investments and Assets Whose Use is Limited

Investments and assets whose use is limited consisted of the following at December 31

	2011	2010
Investments – current		
Money market funds	**$ 61,048**	$ 191,324
Fixed income investments	**6,317,306**	5,562,362
Pooled Investment Fund	**2,718,753**	2,713,709
	$ 9,097,107	$ 8,467,395
Assets whose use is limited – current		
Funds held by bond trustees		
Fixed income investments	**$ 577,315**	$ 545,688
Assets whose use is limited		
Funds held by bond trustees		
Money market funds	**$ 2,382,075**	$ 2,500,555
Fixed income investments	**7,732,060**	7,638,417
	10,114,135	10,138,972
Board designated funds		
Cash and cash equivalents	**22,000,000**	25,000,000
Money market funds	**1,500**	1,500
Fixed income investments	**20,000,000**	20,000,000
Pooled Investment Fund	**108,049,603**	104,073,021
	150,051,103	149,074,521
Tax-exempt financing fund – capital acquisitions		
Cash and cash equivalents	**23,636,404**	–
Designated under deferred compensation arrangements		
Mutual funds	**1,518,651**	1,577,353
	$ 185,320,293	$ 160,790,846

3. Investments and Assets Whose Use is Limited (continued)

The fair value of the investments and assets whose use is limited owned directly by the Hospital, are recorded based upon quoted market prices and classified as 59% and 46% Level 1 and 41% and 54% Level 2 at December 31, 2011 and 2010, respectively, under the fair value hierarchy Level 1 includes cash and cash equivalents, money market funds and mutual funds Level 2 includes government and corporate fixed income investments

At December 31, 2011, the Hospital owns approximately 76% of the total Pooled Investment Fund The total Pooled Investment Fund includes a diversified portfolio, comprised of

Money market funds	8%
Cash	1%
Domestic common and preferred stock	11%
Fixed income mutual funds	18%
Equity mutual funds	14%
Common collective trusts	9%
Limited partnerships	39%

The Pooled Investment Fund investments, excluding limited partnerships which are reported at cost or utilizing the equity method of accounting, are classified as 75% and 58% Level 1 and 25% and 42% Level 2 at December 31, 2011 and 2010, respectively Level 1 includes money market funds, cash, domestic common and preferred stock, fixed income mutual funds, and certain equity mutual funds Level 2 includes certain equity mutual funds and common collective trusts

3. Investments and Assets Whose Use is Limited (continued)

The following summarizes investment return and its classification in the consolidated statements of operations and changes in net assets for the years ending December 31

	2011	2010
Dividends and interest, net of investment expenses	**$ 1,972,948**	$ 2,526,668
Net realized gains on investments	**9,055,501**	3,847,197
(Loss) income from equity method investments in Pooled Investment Fund	**(327,984)**	171,277
Losses from Pooled Investment Fund, due to other-than-temporary decline in investments	**(299,244)**	(30,443)
Net unrealized (losses) gains on investments	**(9,402,551)**	4,933,944
	$ 998,670	$ 11,448,643
Reported as follows		
Other revenue	**$ 1,563,353**	$ 733,281
Non-operating investment income, net	**8,837,868**	5,781,418
Net unrealized (loss) gain on investments included in unrestricted net assets	**(9,402,551)**	4,933,944
	$ 998,670	$ 11,448,643

4. Property and Equipment

Property and equipment consist of the following at December 31

	2011	2010
Land	**$ 68,355**	$ 68,355
Land improvements	**4,306,608**	3,704,350
Buildings and improvements	**231,282,475**	216,572,772
Equipment	**304,965,922**	246,839,521
Construction-in-progress	**10,233,120**	14,337,375
Equipment under capital leases	**11,321,363**	9,989,836
	562,177,843	491,512,209
Less accumulated depreciation and amortization	**331,800,119**	305,367,407
	$ 230,377,724	$ 186,144,802

5. Long-Term Obligations

Long-term debt consists of the following at December 31

	Interest Rate(s)	Due Date	2011	2010
2005 Revenue Bonds	4 00% – 4 48%	Through 2035	$ **54,620,000**	$ 57,740,000
Capital lease obligations	0 27% – 6 83%	Through 2015	**9,566,704**	1,700,064
Promissory note payable	4 75%	Through 2020	–	8,183,035
Tax-exempt financing agreements	2 33% – 3 74%	Through 2021	**53,745,461**	682,499
			117,932,165	68,305,598
Unamortized premium			**1,675,933**	2,059,297
Current portion			**(11,517,807)**	(5,220,712)
			$ **108,090,291**	$ 65,144,183

In June 2005, the Dormitory Authority of the State of New York issued $71,295,000 of its revenue bonds (2005 Revenue Bonds) to defease outstanding Rochester General Hospital FHA-insured revenue bonds issued in 1993 and provide financing for certain Hospital renovations and expansion The 2005 Revenue Bonds are insured by a financial guaranty insurance policy issued by Radian Asset Assurance, Inc The insurance policy is non-cancelable during its term and provides for the prompt payment of principal and interest on the bonds The 2005 Revenue Bonds are secured by the pledge and assignment of a security interest in the gross receipts of the Hospital Under the terms of the 2005 Revenue Bonds indenture, the Hospital is required to maintain certain deposits with a trustee, including proceeds available for future construction-in-progress Such deposits are included with assets whose use is limited in the accompanying consolidated balance sheets, and are comprised of the following funds at December 31

	2011	2010
Construction fund	$ **4,881,592**	$ 4,879,315
Debt service fund	**577,315**	545,688
Debt service reserve fund	**5,232,543**	5,259,657
	10,691,450	10,684,660
Current portion	**(577,315)**	(545,688)
	$ **10,114,135**	$ 10,138,972

5. Long-Term Obligations (continued)

In addition, the 2005 Revenue Bonds indenture and insurance policy place limits on the incurrence of additional borrowings and require that the Hospital satisfy certain measures of financial performance The Hospital is in compliance with such requirements The fair value of the 2005 Revenue Bonds is estimated based on the current rates offered to the Hospital for debt of the same remaining maturities and other valuation considerations As of December 31, 2011, the carrying amount and fair value of the 2005 Revenue Bonds is approximately $54,620,000 and $53,048,000, respectively As of December 31, 2010, the carrying amount and fair value of the 2005 Revenue Bonds was approximately $57,740,000 and $53,274,000, respectively The recorded amounts of other long-term debt and long-term liabilities approximate fair value

In 2011, the Hospital entered into a tax-exempt financing agreement with the Dormitory Authority of New York and JPMorgan Chase Bank, N A for $54,969,000 The agreement is a tri-party financing agreement that enabled the Hospital to purchase capital equipment on a tax-exempt basis All equipment purchased under this agreement has been placed in service The Hospital will continue to make payments on the financing agreement through 2021 As of December 31, 2011, approximately $23,636,000 remains in escrow for future purchases or reimbursement for qualifying purchases made by the Hospital in 2011

In 2010, the Hospital entered into a promissory note payable agreement with HUB Properties for approximately $8,288,000 The Hospital purchased a building for the relocation of support services The note was fully repaid in August 2011 In 2011, Hospital entered into a medical records licensing agreement with Epic Systems Corporation for approximately $11,934,000, which is recorded as a capital lease obligation The remaining payments were subsequently paid in full in February 2012 In addition, the Hospital entered into a capital bed lease with First American Commercial Bancorp, Inc for approximately $2,067,000 The payments will continue through 2013

Approximate annual principal payments of long-term debt for the five-year period are as follows 2012 – $11,518,000, 2013 – $11,605,000, 2014 – $11,209,000, 2015 – $9,105,000 and 2016 – $6,751,000

Interest payments approximated $3,492,000 in 2011 and $3,178,000 in 2010

During 2011 and 2010, the Hospital capitalized interest in the amount of approximately $199,000 and $139,000, respectively

6. Operating Leases

Operating lease rental expense, relating primarily to the rental of facilities and equipment was approximately $12,780,000 and $14,561,000 for the years ended December 31, 2011 and 2010, respectively

Future minimum rental commitments under non-cancelable operating leases (with an initial or remaining term in excess of one year) at December 31, 2011, are as follows

2012	$ 6,429,749
2013	5,292,585
2014	4,777,512
2015	4,256,056
2016	3,457,878
Thereafter	19,473,231
	$ 43,687,011

7. Commitments and Contingencies

The Hospital records reserves and related insurance recoveries receivable for professional and general liability, health care for employees and workers' compensation losses, and loss adjustment expenses These reserves include estimates for claims incurred but not reported (IBNR) and estimates of future trends in loss severity and frequency and other factors, which could vary as the losses are ultimately settled Accordingly, the actual amounts incurred and recovered may vary significantly from the estimated amounts included in the accompanying consolidated financial statements

Professional and General Liability

The Hospital purchases its primary professional and general liability insurance, with limits of $3,500,000 per claim and $25,000,000 in the aggregate per policy year, through GRACO under a retrospectively rated claims-made policy based upon the experience of GRACO's insureds The Hospital has prepaid expenses of approximately $10,887,000 and $10,357,000 for 2011 and 2010, respectively, for related premiums on the basis of the group's experience, which is included in due from affiliates on the accompanying consolidated balance sheets

7. Commitments and Contingencies (continued)

The Hospital purchases claims-made excess professional and general liability insurance from an insurance company under a policy that insures the System and its affiliates This policy provides $43,500,000 insurance per claim and $65,000,000 in the aggregate per policy year for the System on a system wide basis, in excess of the primary insurance limits provided by GRACO

Professional liability and other claims have been filed against the Hospital by various claimants In addition, other claims for which damages are as yet unspecified also exist Management does not anticipate that any future effects of such claims would have a significant impact on the Hospital's financial condition

The Hospital's allocation of the actuarially determined estimate for professional liability claims, including outstanding and IBNR claims approximated $45,406,000, gross of reinsurance recoveries of $35,109,000, and $9,669,000, net of reinsurance recoveries, at December 31, 2011 and 2010, respectively, at an estimated present value using a discount rate of 2% for 2011 and 2010, and is included in accrued insured and self-insured liabilities in the accompanying consolidated balance sheets

Workers' Compensation

The Trust maintains stop-loss insurance coverage for all individual claims with a loss value exceeding $400,000 The Hospital has a deposit of approximately $12,122,000 and $11,482,000 at December 31, 2011 and 2010, respectively, with the Trust which is classified as other assets in the accompanying consolidated balance sheets Losses are accrued based upon the trustee's estimate of the aggregate liability for claims incurred by members, based on actuarially determined amounts Total costs incurred by the Hospital approximated $4,046,000 and $4,574,000 in 2011 and 2010, respectively The Hospital's portion of the actuarially determined reserve for workers' compensation approximated $29,067,000, gross of insurance recoverable of $6,593,000, and $20,961,000, net of insurance recoverable, at December 31, 2011 and 2010, respectively, at an estimated present value using a discount rate of 2% for 2011 and 2010, and is included in accrued insured and self-insured liabilities in the accompanying consolidated balance sheets

7. Commitments and Contingencies (continued)

Health

The Hospital is a participant in the System's self-insured Medical Health Plan (the Health Plan) The Plan maintains stop-loss insurance coverage for losses exceeding $300,000 per insured per year The Hospital provides for their portion of the cost of IBNR claims which approximated $2,779,000 and $2,568,000 as of December 31, 2011 and 2010, respectively, and is included in accrued expenses in the accompanying consolidated balance sheets

8. Pension and Postretirement Plans

The Hospital provides retirement benefits through participation in a defined benefit pension plan (the Pension Plan) sponsored by the System for its affiliates that covers substantially all of the System's affiliate employees The Pension Plan bases benefits upon both credited years of service and final average earnings It is the policy of the System to fund at least the minimum amounts required by the Employee Retirement Income Security Act The funding policy is based on actuarially determined cost methods allowable under IRS regulations The Hospital's pension expense, which represents allocable contributions to the plan, approximated $20,730,000 and $23,331,000 in 2011 and 2010, respectively

The Hospital also provides certain health care and life insurance benefits for retired employees through its participation in a postretirement plan sponsored by the System for its affiliates Full-time employees who retire after age 62 with 20 years of service and dependents of employees who retired before January 1, 1993, are eligible for medical benefits For medical benefits, employees who retired prior to January 1, 1993 receive the full premium, with the System directly paying the premium cost to a third-party administrator Employees who retire on or after January 1, 1993, receive an amount which is fixed at the System's share of the 1993 premium level Dental benefits cover full-time employees and dependents of employees who retired before January 1, 1994, after age 62 with 20 years of service Life insurance benefits cover employees working at least 30 hours per week who retire at age 55 or older The System has the right to modify or terminate this plan in the future Postretirement benefit expense, which represents allocable contributions for the Hospital, for 2011 and 2010 approximated $601,000 and $615,000, respectively

8. Pension and Postretirement Plans (continued)

The Hospital also has a non-contributory tax-exempt 403(b) tax sheltered annuity plan covering employees meeting certain eligibility requirements In addition, the Hospital has a deferred compensation plan which permits certain key employees to defer a portion of their compensation The deferred compensation, which is funded through investments with third-party financial services companies, is distributable in cash after retirement or termination of employment and is separately recorded in the accompanying consolidated balance sheets as an asset and a liability

9. Transactions With Affiliates

The Hospital and other affiliates of the System have entered into an agreement for financial support of the System which requires the Hospital to fund a prorated share of corporate management and general operating expenses The Hospital's allocated costs aggregated approximately $7,536,000 for 2011 and $6,355,000 for 2010, which are included in purchased services and supplies in the accompanying consolidated statements of operations and changes in net assets The Hospital provides to other System affiliates centralized accounting, billing and information system services, and purchases certain goods on their behalf The Hospital charges the affiliates for the services on a cost basis Reimbursement for these expenses approximated $5,349,000 for 2011 and $5,030,000 for 2010

Beginning in January 2009, the Hospital provided stop-loss insurance coverage for inpatient expenses that exceed a $63,000 deductible in 2011 and 2010 per participant per year for Independent Living for Seniors (ILS), an affiliate

Under the terms of the agreement, ILS remitted approximately $93,000 for 2011 and 2010 in reinsurance premiums to the Hospital The Hospital reimbursed ILS approximately $125,000 and $57,000 in 2011 and 2010, respectively, for claims exceeding the attachment point

9. Transactions With Affiliates (continued)

There are no specific repayment terms related to the amounts due from and to affiliates Amounts are generally settled on a quarterly basis Following is a summary of the amounts due to and due from affiliates as of December 31

	2011	2010
Due from affiliates		
Current portion		
GRACO	**$ 10,887,435**	$ 10,357,377
Newark Wayne Community Hospital	**2,085,896**	1,020,037
Rochester General Long Term Care, Inc	**2,336,727**	185,549
Independent Living for Seniors, Inc	**2,595,581**	2,246,447
Rochester General Health System Behavioral Health Network, Inc	**42,799**	1,802,042
RGH Foundation	**4,433,704**	1,907,069
Lattimore Community Surgicenter, Inc	**494,820**	251,622
Newark Wayne Foundation	–	10,561
Rochester General Health System Workers' Compensation Trust	**10,803,738**	9,088,252
Rochester General Health System	**5,322,301**	–
Greater Rochester Independent Practice Association, Inc	**373,246**	383,812
Total current portion	**39,376,247**	27,252,768
Non-current portion		
Greater Rochester Health System Foundation	**4,136,413**	4,136,413
	$ 43,512,660	$ 31,389,181

	2011	2010
Due to affiliates		
Current portion		
Rochester General Health System	**$ –**	$ 1,610,868
Greater Rochester Health System Foundation	**3,351,189**	3,789,963
	$ 3,351,189	$ 5,400,831

In 2010, the Hospital provided capital of approximately $2,598,000 to its affiliate, Rochester General Health Long Term Care (Hill Haven), by forgiving the amount due

10. Endowment

RGH Foundation maintains endowments consisting of numerous individual donor-restricted funds established for a variety of purposes, which are held in perpetuity Net assets associated with endowment funds are classified and reported based on donor-imposed restrictions

RGH Foundation has attempted to provide a predictable stream of funding to programs supported by their endowments while seeking to maintain the purchasing power of the endowment assets RGH Foundation funds are invested with a goal of producing the highest long-term rate of return without materially exceeding an acceptable level of long-term volatility Endowment assets are invested in the Pooled Investment Fund

Total return on donor-designated endowment funds is reported in temporarily restricted net assets The total amounts accumulated are considered available for distribution Unrestricted funds are distributed in the same year as the investment returns are received Restricted funds are distributed based on requests received from the Hospital and approved by the RGH Foundation board

Funds With Deficiencies

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the value of the original gift There were no deficiencies as of December 31, 2011 or 2010

Interpretation of Relevant Law

Permanently restricted net assets represent endowments that have been restricted by donors to be maintained in perpetuity The Hospital follows the requirements of the New York Prudent Management of Institutional Funds Act (NYPMIFA) passed into law effective September 2010 as they relate to its permanently restricted net assets Prior to the enactment of the law, the Hospital followed the requirements of the Uniform Management of Institutional Funds Act (UMIFA) The Hospital has interpreted NYPMIFA, which did not have a significant effect on the Hospital's endowment policies that were in effect prior to the enactment, as requiring the preservation of the fair value of the original gift, as of the gift date, of the donor-restricted endowment fund absent explicit donor stipulations to the contrary The Hospital classifies as permanently restricted net assets the original value of the gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment Returns on

10. Endowment (continued)

the permanent endowment are used in accordance with the direction of the applicable donor gift Returns on permanently restricted net assets are classified as temporarily restricted net assets until the amounts are appropriated for expenditure in accordance with a manner consistent with the standard of prudence prescribed by NYPMIFA In accordance with NYPMIFA, the Hospital considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds (1) the duration and preservation of the fund, (2) the purposes of the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the institution, (6) the expected total return from income and the appreciation of investments, (7) other resources of the Hospital, and (8) the investment and spending policies of the Hospital The Hospital has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment

10. Endowment (continued)

Changes in Endowment Net Assets

	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, January 1, 2010	$ 1,401,455	$ 7,960,616	$ 9,362,071
Investment return			
Investment income	115,878	–	115,878
Net appreciation (realized and unrealized)	457,846	–	457,846
Total investment return	573,724	–	573,724
Contributions	–	83,247	83,247
Appropriation of endowment assets for expenditure	(308,542)	–	(308,542)
Endowment net assets, December 31, 2010	1,666,637	8,043,863	9,710,500
Investment return			
Investment income	**470,258**	**–**	**470,258**
Net appreciation (realized and unrealized)	**(504,682)**	**–**	**(504,682)**
Total investment return	**(34,424)**	**–**	**(34,424)**
Contributions	**–**	**62,281**	**62,281**
Appropriation of endowment assets for expenditure	**(475,360)**	**–**	**(475,360)**
Endowment net assets, December 31, 2011	**$ 1,156,853**	**$ 8,106,144**	**$ 9,262,997**

11. Functional Expenses

The Hospital provides health care and other services Expenses related to providing these functions are as follows for the years ended December 31

	2011	2010
Health care services	**$ 540,042,279**	$ 536,887,837
General and administrative	**147,758,172**	112,848,878
Total expenses	**$ 687,800,451**	$ 649,736,715

12. Subsequent Events

New legislation was passed on March 31, 2011, which enacted significant changes to existing group self-insured programs It repealed the current provisions of the law authorizing group self-insured trusts effective December 31, 2011, and replaced it with a new program whereby an existing group must reapply and qualify under the new provisions as a self-insured group (SIG) The Trust was notified on June 13, 2011, that it would not qualify to continue as a SIG However, the System and its affiliates successfully completed the processes necessary to convert and become self-insured under Section 50-3 of the Workers' Compensation Law As of January 1, 2012, the Hospital received a Notice of Qualification from the New York State Workers' Compensation Board

In February 2012, the Hospital paid Epic Systems Corporation approximately $7,022,000 for all remaining payments due under the licensing agreement in February 2012 and converted the license to a perpetual license

Management of the Hospital has evaluated subsequent events through May 4, 2012, which is the date these audited financial statements were issued Other than the matters discussed above, there were no significant changes to the financial statements as a result of the subsequent events evaluation

Supplementary Information

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Report of Independent Auditors on Supplementary Information

The Board of Directors
Rochester General Hospital

We have audited the financial statements of Rochester General Hospital and Affiliates as of and for the year ended December 31, 2011, and have issued our report thereon dated May 4, 2012, which contained an unqualified opinion on those financial statements Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole The accompanying schedule of selected financial ratios is presented for purposes of additional analysis and is not a required part of the consolidated financial statements Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole

Ernst + Young LLP

May 4, 2012

Rochester General Hospital and Affiliates

Schedule of Selected Financial Ratios

Year Ended December 31, 2011

Debt service coverage ratio		
Income from operations	$	25,638,710
Interest expense		3,550,097
Depreciation and amortization expense		27,302,458
Adjusted income [1]	$	56,491,265
Interest expense	$	3,550,097
Current portion of long-term debt at December 31, 2011		11,517,807
Total debt service [2]	$	15,067,904
Debt service coverage ratio [1/2]		3 75
Days cash on hand		
Cash and cash equivalents, investments and		
Board designated assets whose use is limited at December 31, 2011 [3]	$	174,377,693
Operating expenses net of depreciation and amortization expense [4]	$	660,497,993
Days cash on-hand [3/4*365]		96 36

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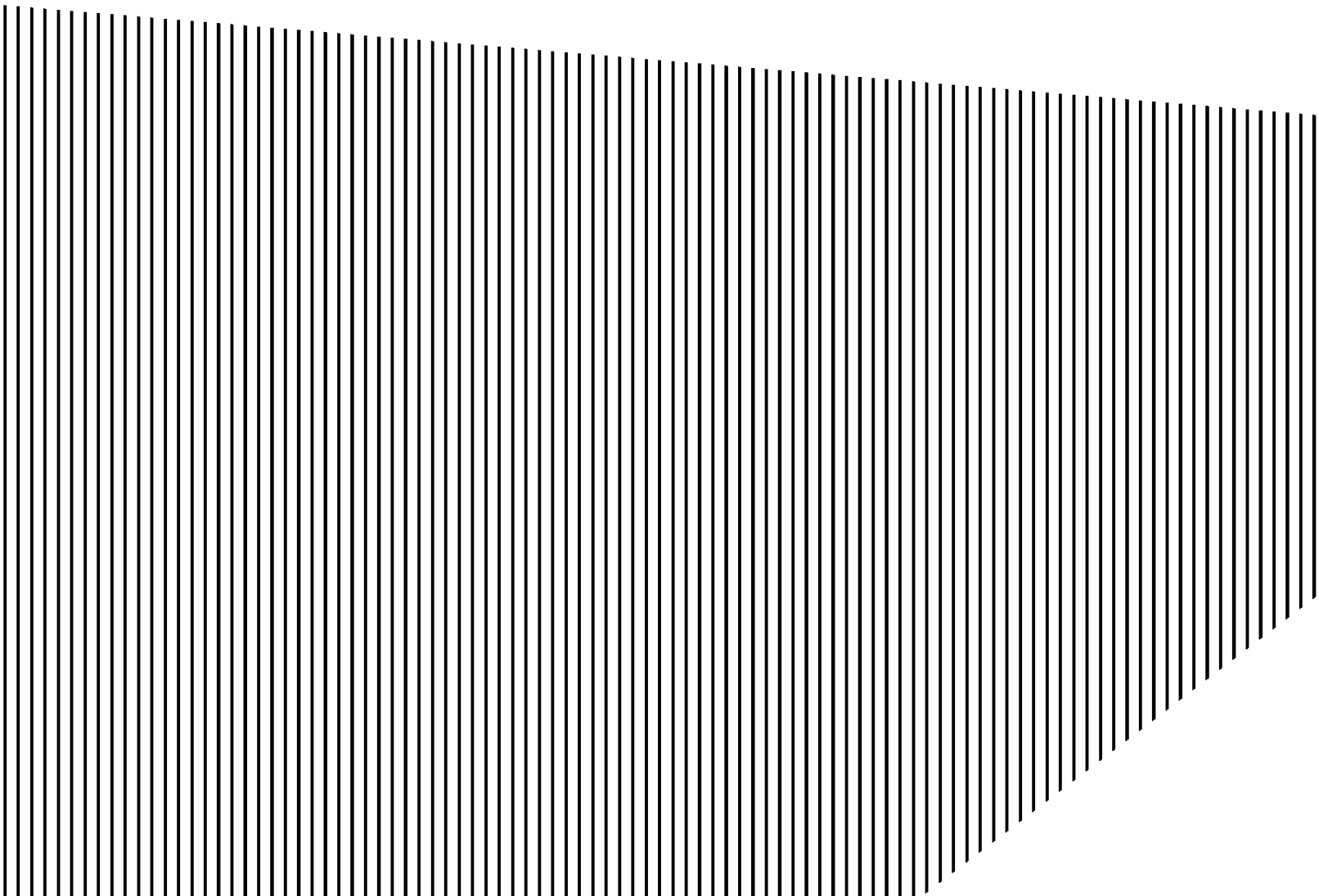

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Name: THE ROCHESTER GENERAL HOSPITAL

Form 990, Special Condition Description:

Special Condition Description