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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ☐ Yes ☒ No

1 Briefly describe the organization's mission

THE ORGANIZATIONS ARE COMMITTED TO IMPROVING THE HEALTH AND WELL-BEING OF THE RESIDENTS OF NEW JERSEY BY PROVIDING QUALITY, PATIENT-CENTERED HEALTHCARE SERVICES THE ENTITIES PROVIDE MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT

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 \$ 85,350,221	including grants of \$ 0)	(Revenue \$ 78,183,865)
EXPENSES INCURRED BY ATLANTICARE REGIONAL MEDICAL CENTER IN PROVIDING MEDICALLY NECESSARY GENERAL MEDICINE SERVICES to all individuals in a non-discriminatory manner regardless of RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ability to pay DURING 2011 THE ORGANIZATION TREATED 8,080 INPATIENT GENERAL MEDICINE CASES FOR A TOTAL OF 43,086 PATIENT DAYS PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT				

4b	(Code)	(Expenses \$ 71,224,078	including grants of \$ 0)	(Revenue \$ 63,401,110)
EXPENSES INCURRED BY ATLANTICARE REGIONAL MEDICAL CENTER IN PROVIDING MEDICALLY NECESSARY CARDIOLOGY/CARDIAC SURGERY SERVICES to all individuals in a non-discriminatory manner regardless of RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ability to pay DURING 2011 THE ORGANIZATION TREATED 4,963 INPATIENT CARDIOLOGY/CARDIAC SURGERY CASES FOR A TOTAL OF 22,867 PATIENT DAYS PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT				

4c	(Code)	(Expenses \$ 67,354,088	including grants of \$ 0)	(Revenue \$ 65,821,939)
EXPENSES INCURRED BY ATLANTICARE REGIONAL MEDICAL CENTER IN PROVIDING MEDICALLY NECESSARY GENERAL SURGERY SERVICES to all individuals in a non-discriminatory manner regardless of RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ability to pay DURING 2011 THE ORGANIZATION TREATED 2,954 INPATIENT SURGERY CASES FOR A TOTAL OF 23,065 PATIENT DAYS PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT				

4d	Other program services (Describe in Schedule O)			
	(Expenses \$ 419,220,294	including grants of \$ 11,711,240)	(Revenue \$ 512,782,676)	

4e	Total program service expenses	\$ 643,148,681		
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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.	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	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.		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.	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.		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.		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.		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III.		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.		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.	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, line 10? If "Yes," complete Schedule D, Part VI.	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.		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.	Yes	
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.		No
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.	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.		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.		No
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.	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E.		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?		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.	Yes	
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.		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.		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.		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.	Yes	
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.		No
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H.	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.	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? <i>If "Yes," complete Schedule I, Parts I and II</i>	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? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	Yes	
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? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>	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? <i>If "Yes," complete Schedule L, Part III</i>	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? <i>If "Yes," complete Schedule L, Part IV</i>	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	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? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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? <i>If "Yes," complete Schedule R, Part VI</i>	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 <input type="checkbox"/>						
		Yes	No			
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. .	1a	803			
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, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.	2a	5,690			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes			
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	Yes			
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	Yes			
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		
1b	Enter the number of voting members included in line 1a, above, who are independent		
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
7b	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		
8a	The governing body?	8a	Yes
8b	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
10b	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
11b	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
12b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	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?		
15a	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	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
16b	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	Yes

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	NJ
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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> 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.	JAMES P NOLAN JR CPA 2500 ENGLISH CREEK AVE EGG HARBOR TWSHP, NJ 08234 (609) 569-7040

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

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 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

[illegible]

Part VII

1b	Sub-Total			
c	Total from continuation sheets to Part VII, Section A			
d	Total (add lines 1b and 1c)	7,949,091	4,561,453	2,505,028

2 Total number of individuals (including but not limited to those listed in Item 1) who received more than \$100,000 of reportable compensation from the organization. 414

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>	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
LF DRISCOLL COMPANY 9 PRESIDENTIAL BLVD PO BOX 468 BALA CYNWYD, PA 190040468	BUILDING CONTRACTOR	11,651,886
P AGNES INC 2101 PENROSE AVENUE PHILADELPHIA, PA 191455614	BUILDING CONTRACTOR	9,329,776
STAFF CARE INC PO BOX 281923 ATLANTA, GA 303841923	MEDICAL	2,698,031
PHILIPS MEDICAL SYSTEM HSG DIVISION PO BOX 100355 ATLANTA, GA 303840355	IT	2,541,446
COOPER HEALTH SYSTEM ONE COOPER PLAZA CAMDEN, NJ 08103	MEDICAL	2,499,021
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 144		

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	223,691			
	d	Related organizations	1d	3,873,047			
	e	Government grants (contributions)	1e	16,444,758			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,773,358			
	g	Noncash contributions included in lines 1a-1f \$ 76,207					
	h	Total. Add lines 1a-1f		22,314,854			
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REVENUE	541900	703,593,324	703,593,324		
	b	OTHER HEALTHCARE RELATED REVENUE	541900	16,821,086	16,699,097	121,989	
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		720,414,410			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		7,826,845		-224,820	8,051,665
	4	Income from investment of tax-exempt bond proceeds . .		1,007,316			1,007,316
	5	Royalties		0			
	6a	Gross rents	(i) Real				
			(ii) Personal				
				3,153,329			
				307,764			
	b	Less rental expenses					
	c	Rental income or (loss)		2,845,565			
	d	Net rental income or (loss)		2,845,565			2,845,565
	7a	Gross amount from sales of assets other than inventory	(i) Securities				
			(ii) Other		51,888		
				0			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)		51,888			
	d	Net gain or (loss)		51,888			51,888
	8a	Gross income from fundraising events (not including \$ 223,691 of contributions reported on line 1c) See Part IV, line 18	a	324,560			
	b	Less direct expenses	b	324,560			
	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	TELEPHONE	517000	35,242			35,242	
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d		35,242				
12	Total revenue. See Instructions		754,496,120	720,292,421	-102,831	11,991,676	

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	11,675,141	11,675,141		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	36,099	36,099		
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	6,284,042	5,655,636	628,406	
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	241,277,272	217,149,544	24,127,728	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	16,944,451	15,250,005	1,694,446	
9	Other employee benefits	41,881,937	37,693,744	4,188,193	
10	Payroll taxes	20,897,706	18,941,740	1,955,966	
11	Fees for services (non-employees)				
a	Management	2,418,881	2,446,566	-27,685	
b	Legal	661,643	591,173	70,470	
c	Accounting	360,502	324,452	36,050	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	10,120,676	9,141,422	979,254	
12	Advertising and promotion	1,476,368	1,346,536	129,832	
13	Office expenses	49,579,396	44,659,429	4,919,967	
14	Information technology	1,280,092	1,162,518	117,574	
15	Royalties	0			
16	Occupancy	6,450,139	5,944,316	505,823	
17	Travel	511,482	492,453	19,029	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	706,999	643,585	63,414	
20	Interest	12,427,792	11,332,177	1,095,615	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	45,106,357	40,943,128	4,163,229	
23	Insurance	6,104,709	5,494,238	610,471	
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	MEDICAL SUPPLIES	97,471,754	88,193,254	9,278,500	0
b	PHYSICIAN FEES	46,185,082	41,567,824	4,617,258	0
c	PROVISION FOR BAD DEBTS	36,778,308	33,156,276	3,622,032	0
d	PURCHASED SERVICES	15,213,994	13,842,173	1,371,821	0
e					
f	All other expenses	37,774,590	35,465,252	2,309,338	
25	Total functional expenses. Add lines 1 through 24f	709,625,412	643,148,681	66,476,731	0
26	Joint costs. Check here <input type="checkbox"/> 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)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			4,600,423	1	3,393,679
	2	Savings and temporary cash investments			3,710,121	2	3,773,005
	3	Pledges and grants receivable, net			2,030,673	3	2,486,485
	4	Accounts receivable, net			62,876,686	4	76,135,894
	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			11,196,556	7	8,474,890
	8	Inventories for sale or use			8,856,370	8	9,377,908
	9	Prepaid expenses and deferred charges			9,006,722	9	8,513,999
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a	815,032,709			
	b	Less: accumulated depreciation	10b	409,838,860	386,115,820	10c	405,193,849
	11	Investments—publicly traded securities			0	11	0
	12	Investments—other securities. See Part IV, line 11			0	12	0
	13	Investments—program-related. See Part IV, line 11			399,243,391	13	391,825,207
	14	Intangible assets			4,608,830	14	4,527,584
	15	Other assets. See Part IV, line 11			12,146,069	15	20,820,641
	16	Total assets. Add lines 1 through 15 (must equal line 34)			904,391,661	16	934,523,141
Liabilities	17	Accounts payable and accrued expenses			91,772,215	17	81,994,850
	18	Grants payable			0	18	0
	19	Deferred revenue			4,038	19	2,308
	20	Tax-exempt bond liabilities			210,604,201	20	203,830,493
	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			17,455,371	23	20,104,856
	24	Unsecured notes and loans payable to unrelated third parties			0	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			132,770,715	25	209,734,039
	26	Total liabilities. Add lines 17 through 25			452,606,540	26	515,666,546
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			428,918,789	27	396,097,434
	28	Temporarily restricted net assets			21,333,440	28	21,218,586
	29	Permanently restricted net assets			1,532,892	29	1,540,575
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> 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			451,785,121	33	418,856,595
	34	Total liabilities and net assets/fund balances			904,391,661	34	934,523,141

Part XI Reconciliation 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	754,496,120
2	Total expenses (must equal Part IX, column (A), line 25)	2	709,625,412
3	Revenue less expenses Subtract line 2 from line 1	3	44,870,708
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	451,785,121
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-77,799,234
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	418,856,595

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 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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?		No
b	Were the organization's financial statements audited by an independent accountant?	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	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 <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> 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?	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	Yes	

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 ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES	Employer identification number 90-0779828
--	--

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

10

☐

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

11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

f

☐

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

g

☐

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

(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?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
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	(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	(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 IIIPart 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
THE PUBLIC CHARITY STATUS REFLECTED ON SCHEDULE A, PART I IS FOR ATLANTICARE REGIONAL MEDICAL CENTER, THE LARGEST SUBORDINATE ORGANIZATION INCLUDED IN THE GROUP EXEMPTION RULING AND IN THIS CONSOLIDATED GROUP FORM 990 OUTLINED BELOW IS THE PUBLIC CHARITY STATUS FOR ALL OTHER ORGANIZATIONS INCLUDED IN THE GROUP EXEMPTION ATLANTICARE BEHAVIORAL HEALTH, INC , SCHEDULE A, PART I, LINE 7, INTERNAL REVENUE CODE SECTION 509(a)(1) ORGANIZATION, ATLANTICARE FOUNDATION, SCHEDULE A, PART I, LINE 7, INTERNAL REVENUE CODE SECTION 509(a)(1) ORGANIZATION, ATLANTICARE HEALTH ENGAGEMENT, INC , SCHEDULE A, PART I, LINE 11, INTERNAL REVENUE CODE SECTION 509(a)(3) ORGANIZATION, ATLANTICARE HEALTH SERVICES, INC , SCHEDULE A, PART I, LINE 9, INTERNAL REVENUE CODE SECTION 509(a)(2) ORGANIZATION INFOSHARE, INC , SCHEDULE A, PART I, LINE 11, INTERNAL REVENUE CODE SECTION 509(A)(3) ORGANIZATION

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 ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES	Employer identification number 90-0779828
--	--

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)		0	264,490												
c Total lobbying expenditures (add lines 1a and 1b)		0	264,490												
d Other exempt purpose expenditures		709,625,412	728,288,510												
e Total exempt purpose expenditures (add lines 1c and 1d)		709,625,412	728,553,000												
f Lobbying nontaxable amount Enter the amount from the following table in both columns		1,000,000	1,000,000												
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		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		
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														
g Grassroots nontaxable amount (enter 25% of line 1f)		250,000	250,000												
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-															
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?		<input type="checkbox"/> Yes <input type="checkbox"/> 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	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c Total lobbying expenditures	276,388	260,187	0	0	536,575
d Grassroots non-taxable amount	250,000	250,000	250,000	250,000	1,000,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
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)		(b)
	Yes	No	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?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities? If "Yes," describe in Part IV			
j Total lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
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
LOBBYING ACTIVITIES	SCHEDULE C, PART II-A, LINE 2C	THE ORGANIZATIONS INCLUDED IN THIS CONSOLIDATED GROUP RETURN ARE AFFILIATES IN ATLANTICARE HEALTH SYSTEM, INC AND AFFILIATES, A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM ("SYSTEM") ATLANTICARE HEALTH SYSTEM, INC ("AH SYSTEM") IS THE TAX-EXEMPT PARENT ENTITY OF THE SYSTEM. AH SYSTEM ENGAGES IN LOBBYING EFFORTS ON BEHALF OF ALL AFFILIATES IN THE SYSTEM. DURING 2011, AH SYSTEM PAID \$232,496 TO OUTSIDE INDEPENDENT LOBBYING FIRMS TO ENGAGE IN LOBBYING ACTIVITIES PERFORMED ON BEHALF OF ALL AFFILIATES WITHIN THE SYSTEM. IN ADDITION, ATLANTICARE REGIONAL MEDICAL CENTER ("ARMC"), A TAX-EXEMPT HOSPITAL WITHIN THE SYSTEM, IS A MEMBER OF BOTH THE NEW JERSEY HOSPITAL ASSOCIATION AND THE AMERICAN HOSPITAL ASSOCIATION WHICH BOTH ENGAGE IN LOBBYING EFFORTS ON BEHALF OF THEIR MEMBER HOSPITALS. DURING 2011, AH SYSTEM PAID THE DUES TO THESE ORGANIZATIONS ON BEHALF OF ARMC, A PORTION OF WHICH HAS BEEN ALLOCATED TO LOBBYING ACTIVITIES PERFORMED ON BEHALF OF THE SYSTEM. THIS ALLOCATION AMOUNTED TO \$31,994 IN 2011. THE TOTAL AMOUNT OF LOBBYING EXPENDITURES MADE BY AH SYSTEM, \$264,490, ON BEHALF OF ALL AFFILIATES WITHIN THE SYSTEM IS REPORTED ON AH SYSTEM'S FORM 990 (FEIN 22-3265213), SCHEDULE C, PART II-A FOR THE YEAR ENDED DECEMBER 31, 2011.

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
ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Employer identification number
90-0779828

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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
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 <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

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
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

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

► \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2011

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
1c	
1d	
1e	
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	22,866,332	12,095,347	12,364,504	12,584,882
b	Contributions	5,490,000	13,423,000	2,776,000	2,438,000
c	Investment earnings or losses	8,000	41,000	26,000	-135,000
d	Grants or scholarships				
e	Other expenditures for facilities and programs	5,605,171	2,693,015	3,071,157	2,523,378
f	Administrative expenses				
g	End of year balance	22,759,161	22,866,332	12,095,347	12,364,504

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ 93 000 %

b

Permanent endowment ▶ 7 000 %

c

Term endowment ▶

3a

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

	Yes	No
(i) unrelated organizations	3a(i)	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		19,129,199		19,129,199
b Buildings		449,938,893	168,659,436	281,279,457
c Leasehold improvements		116,690	102,890	13,800
d Equipment		327,051,010	240,006,102	87,044,908
e Other		18,796,917	1,070,432	17,726,485
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				405,193,849

Schedule D (Form 990) 2011

Part XIReconciliation of Change in Net Assets from Form 990 to Financial Statements			
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

Part XIIReconciliation of Revenue per Audited Financial Statements With Revenue per Return			
1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments2a		
b	Donated services and use of facilities2b		
c	Recoveries of prior year grants2c		
d	Other (Describe in Part XIV)2d		
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
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 7b4a		
b	Other (Describe in Part XIV)4b		
c	Add lines 4a and 4b	4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	

Part XIIIReconciliation of Expenses per Audited Financial Statements With Expenses per Return			
1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities2a		
b	Prior year adjustments2b		
c	Other losses2c		
d	Other (Describe in Part XIV)2d		
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
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 7b4a		
b	Other (Describe in Part XIV)4b		
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	

Part XIVSupplemental 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
ENDOWMENT FUNDS	SCHEDULE D, PART V, QUESTION 4	RESTRICTED FUNDS ARE USED TO SUPPORT THE CHARITABLE ACTIVITIES AND PROGRAMS OF THE ORGANIZATION AND ITS AFFILIATES
TEXT OF FIN 48 AUDITED FINANCIAL STATEMENT FOOTNOTE	SCHEDULE D, PART X	THE ORGANIZATION IS AN AFFILIATE IN THE ATLANTICARE HEALTH SYSTEM, INC ("SYSTEM"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM. AN INDEPENDENT CPA FIRM AUDITED THE CONSOLIDATED FINANCIAL STATEMENTS OF ATLANTICARE HEALTH SYSTEM, INC. AND ALL ENTITIES WITHIN THE SYSTEM FOR THE YEARS ENDED DECEMBER 31, 2011 AND DECEMBER 31, 2010, RESPECTIVELY. THE FOLLOWING FOOTNOTE IS INCLUDED IN THE ORGANIZATION'S 2008 AUDITED FINANCIAL STATEMENTS THAT REPORTS THE ORGANIZATION'S LIABILITY FOR UNCERTAIN TAX PROVISIONS UNDER FIN 48. IN 2006, FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) INTERPRETATION NO. 48 (FIN 48), ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, AN INTERPRETATION FASB STATEMENT NO. 109, ACCOUNTING FOR INCOME TAXES, WAS ISSUED. FIN 48 CREATES A SINGLE MODEL TO ADDRESS UNCERTAINTY IN TAX POSITION AND CLARIFIES THE ACCOUNTING FOR INCOME TAXES BY PRESCRIBING THE MINIMUM RECOGNITION THRESHOLD. A TAX POSITION IS REQUIRED TO MEET BEFORE BEING RECOGNIZED IN THE FINANCIAL STATEMENTS UNDER THE REQUIREMENTS OF FIN 48, TAX-EXEMPT ORGANIZATIONS MAY BE REQUIRED TO RECORD AN OBLIGATION AS THE RESULT OF A TAX POSITION HISTORICALLY TAKEN ON VARIOUS TAX EXPOSURES. ITEMS PRIOR TO FIN 48, THE DETERMINATION OF WHEN TO RECORD A LIABILITY FOR A TAX EXPOSURE WAS BASED ON WHETHER A LIABILITY WAS CONSIDERED PROBABLE AND REASONABLY ESTIMABLE IN ACCORDANCE WITH STATEMENT OF FINANCIAL ACCOUNTING STANDARDS (SFAS) NO. 5, ACCOUNTING FOR CONTINGENCIES. ON JANUARY 1, 2007, THE COMPANY ADOPTED FIN 48. THE IMPACT OF THE ADOPTION OF FIN 48 ON THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS IS NOT SIGNIFICANT.

Additional Data

Software ID:

Software Version:

EIN: 90-0779828

Name: ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Form 990, Schedule D, Part VIII - Investments— Program Related

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
RESTRICTED	2,018,063	F
PERMANENTLY RESTRICTED	110,393	F
FUNDS, CURRENT	771,235	F
CASH - RESTRICTED, NON-CURRENT	57,397	F
OTHER INVESTMENTS	5,969,139	F
LIMITED USE	155,323,000	F
LIMITED USE	54,144,013	F
FIXED INCOME, LIMITED USE	129,795,000	F
ACCRUED INTEREST, LIMITED USE	417,000	F
LIMITED USE	43,180,000	F
ATLANTICARE FOUNDATION	39,967	F

1

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ► _____

3 Enter total number of other organizations or entities ► _____

Part III

(a) Type of grant or assistance

(b) Region

(c) Number of recipients

(d) Amount of cash grant

(e) Manner of cash disbursement

(f) Amount of non-cash assistance

**(g) Description
of non-cash
assistance**

(h) Method of valuation (book, FMV, appraisal, other)

Part IV Foreign Forms

- 1

Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926 (see instructions for Form 926)*

☒ Yes ☐ No
- 2

Did the organization have an interest in a foreign trust during the tax year? *If " Yes," the organization may be required to file Form 3520 and/or Form 3520-A. (see instructions for Forms 3520 and 3520-A)*

☐ Yes ☒ No
- 3

Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see instructions for Form 5471)*

☐ Yes ☒ No
- 4

Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see instructions for Form 8621)*

☐ Yes ☒ No
- 5

Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see instructions for Form 8865)*

☐ Yes ☒ No
- 6

Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see instructions for Form 5713).*

☐ Yes ☒ No

Supplemental Information

Complete this part to provide the information (see instructions) required in Part I, line 2, and any additional information.

[illegible]

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding
Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,
or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization
ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Employer identification number
90-0779828

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1

Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a

☐ Mail solicitations

b

☐ Internet and e-mail solicitations

c

☐ Phone solicitations

d

☐ In-person solicitations

e

☐ Solicitation of non-government grants

f

☐ Solicitation of government grants

g

☐ Special fundraising events

2a

Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

☐ Yes ☐ No

b

If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total ▶						

3

List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. Cat No 50083H Schedule G (Form 990 or 990-EZ) 2011

Part II Fundraising Events.

Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

Revenue			(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events	
			<u>GALA</u>	<u>GOLF TOURNAMENT</u>	<u>0</u>	(Add col (a) through col (c))	
			(event type)	(event type)	(total number)		
	1	Gross receipts	424,567	123,684	0	548,251	
	2	Less Charitable contributions	163,441	60,250		223,691	
3	Gross income (line 1 minus line 2)	261,126	63,434	0	324,560		
Direct Expenses	4	Cash prizes					
	5	Non-cash prizes	66,868	9,339		76,207	
	6	Rent/facility costs	17,528	39,661		57,189	
	7	Food and beverages	159,425	1,924		161,349	
	8	Entertainment					
	9	Other direct expenses	17,305	12,510		29,815	
	10	Direct expense summary Add lines 4 through 9 in column (d). ▶					(324,560)
	11	Net income summary Combine lines 3 and 10 in column (d). ▶					

Part III Gaming.

Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

Revenue		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				()
	8 Net gaming income summary Combine lines 1 and 7 in column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," Explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," Explain _____

- 11

Does the organization operate gaming activities with nonmembers?

☐ Yes ☐ No
- 12

Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

☐ Yes ☐ No

13

Indicate the percentage of gaming activity operated in

a	The organization's facility	13a
b	An outside facility	13b

14

Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name

Address

15a

Does the organization have a contract with a third party from whom the organization receives gaming revenue?

☐ Yes ☐ No

b

If "Yes," enter the amount of gaming revenue received by the organization \$ and the amount of gaming revenue retained by the third party \$

c

If "Yes," enter name and address

Name

Address

16

Gaming manager information

Name

Gaming manager compensation

\$

Description of services provided

☐ Director/officer

☐ Employee

☐ Independent contractor

17

Mandatory distributions

a

Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

☐ Yes ☐ No

b

Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year \$

Part IV

Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier	ReturnReference	Explanation
------------	-----------------	-------------

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
ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Employer identification number
90-0779828

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 <div><input checked="" type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Generally tailored to individual hospitals</div> <div><input type="checkbox"/> Applied uniformly to most hospitals</div>			
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 <i>free</i> care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care <div><input type="checkbox"/> 100%<input type="checkbox"/> 150%<input type="checkbox"/> 200%<input checked="" type="checkbox"/> Other <u>300. %</u></div> b Did the organization use FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <div><input type="checkbox"/> 200%<input type="checkbox"/> 250%<input type="checkbox"/> 300%<input type="checkbox"/> 350%<input type="checkbox"/> 400%<input checked="" type="checkbox"/> Other <u>500. %</u></div> 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	3a	Yes	
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 eligible for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 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)		30,365	49,083,798	26,046,099	23,037,699	3 890 %
b Medicaid (from Worksheet 3, column a)		22,702	81,592,036	64,716,488	16,875,548	2 850 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs		53,067	130,675,834	90,762,587	39,913,247	6 740 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	21	35,525	2,033,441	1,780	2,031,661	0 340 %
f Health professions education (from Worksheet 5)	3	252	4,958,573	2,795,179	2,163,394	0 360 %
g Subsidized health services (from Worksheet 6)	7	3,525	12,683,432	3,335,095	9,348,337	1 580 %
h Research (from Worksheet 7)	1	0	227,714	11,426	216,288	0 040 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total Other Benefits	32	39,302	19,903,160	6,143,480	13,759,680	2 320 %
k Total. Add lines 7d and 7j	32	92,369	150,578,994	96,906,067	53,672,927	9 060 %

Part IICommunity 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
1Physical improvements and housing						
2Economic development						
3Community support						
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy						
8Workforce development						
9Other						
10Total						

Part IIIBad 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?	1Yes	
2	Enter the amount of the organization's bad debt expense	236,220,324	
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	376,596	
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)	5164,422,248	
6	Enter Medicare allowable costs of care relating to payments on line 5	6210,756,892	
7	Subtract line 6 from line 5. This is the surplus or (shortfall)	7-46,334,644	
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: <input checked="" type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?	9aYes	
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.	9bYes	

Part IVManagement 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				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

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? 3

Name and address

Schedule H (Form 990) 2011

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)

ARMC - MAINLAND CAMPUS

Name of Hospital Facility:_____

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 If "Yes," indicate what the Needs Assessment describes (check all that apply) a <input type="checkbox"/> A definition of the community served by the hospital facility b <input type="checkbox"/> Demographics of the community c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community d <input type="checkbox"/> How data was obtained e <input type="checkbox"/> The health needs of the community f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet those needs h <input type="checkbox"/> The process for consulting with persons representing the community's interests i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs j <input type="checkbox"/> Other (describe in Part VI)	1		
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? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply) a <input type="checkbox"/> Hospital facility's website b <input type="checkbox"/> Available upon request from the hospital facility c <input type="checkbox"/> Other (describe in Part VI)	5		
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply) a <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community b <input type="checkbox"/> Execution of the implementation strategy c <input type="checkbox"/> Development of a community-wide community benefit plan for the facility d <input type="checkbox"/> Participation in community-wide community benefit plan e <input type="checkbox"/> Inclusion of a community benefit section in operational plans f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA g <input type="checkbox"/> Prioritization of health needs in the community h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community i <input type="checkbox"/> 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? If "Yes," indicate the FPG family income limit for eligibility for free care 300 % If "No," explain in Part VI the criteria the hospital facility used	9	Yes	

Part V

Facility Information (continued)

		Yes	No	
10	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>500</u> % If "No," explain in Part VI the criteria the hospital facility used	10	Yes	
11	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) a <input checked="" type="checkbox"/> Income level b <input checked="" type="checkbox"/> Asset level c <input checked="" type="checkbox"/> Medical indigency d <input checked="" type="checkbox"/> Insurance status e <input checked="" type="checkbox"/> Uninsured discount f <input checked="" type="checkbox"/> Medicaid/Medicare g <input checked="" type="checkbox"/> State regulation h <input type="checkbox"/> Other (describe in Part VI)	11	Yes	
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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) a <input checked="" type="checkbox"/> The policy was posted at all times on the hospital facility's web site b <input type="checkbox"/> The policy was attached to all billing invoices c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients upon admission to the hospital facility f <input checked="" type="checkbox"/> The policy was available upon request g <input type="checkbox"/> Other (describe in Part VI)	13	Yes	

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 <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments or arrests e <input type="checkbox"/> 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? If "Yes," check all actions in which the hospital facility or a third party engaged a <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments e <input type="checkbox"/> Other similar actions (describe in Part VI)	16		No
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply) a <input type="checkbox"/> Notified patients of the financial assistance policy upon admission b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills d <input type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy e <input type="checkbox"/> 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? If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> 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? If "Yes," explain in Part VI		No
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? If "Yes," explain in Part VI		No

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)

ARMC - CITY CAMPUS

Name of Hospital Facility: _____

Line Number of Hospital Facility (from Schedule H, Part V, Section A): _____ 2

		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 If "Yes," indicate what the Needs Assessment describes (check all that apply)		1	
a <input type="checkbox"/> A definition of the community served by the hospital facility			
b <input type="checkbox"/> Demographics of the community			
c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d <input type="checkbox"/> How data was obtained			
e <input type="checkbox"/> The health needs of the community			
f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet those needs			
h <input type="checkbox"/> The process for consulting with persons representing the community's interests			
i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs			
j <input type="checkbox"/> 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? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)		5	
a <input type="checkbox"/> Hospital facility's website			
b <input type="checkbox"/> Available upon request from the hospital facility			
c <input type="checkbox"/> 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 <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b <input type="checkbox"/> Execution of the implementation strategy			
c <input type="checkbox"/> Development of a community-wide community benefit plan for the facility			
d <input type="checkbox"/> Participation in community-wide community benefit plan			
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans			
f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA			
g <input type="checkbox"/> Prioritization of health needs in the community			
h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i <input type="checkbox"/> 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? If "Yes," indicate the FPG family income limit for eligibility for free care <u>300</u> % If "No," explain in Part VI the criteria the hospital facility used		9	Yes

Part V

Facility Information (continued)

		Yes	No	
10	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>500</u> % If "No," explain in Part VI the criteria the hospital facility used	10	Yes	
11	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) a <input checked="" type="checkbox"/> Income level b <input checked="" type="checkbox"/> Asset level c <input checked="" type="checkbox"/> Medical indigency d <input checked="" type="checkbox"/> Insurance status e <input checked="" type="checkbox"/> Uninsured discount f <input checked="" type="checkbox"/> Medicaid/Medicare g <input checked="" type="checkbox"/> State regulation h <input type="checkbox"/> Other (describe in Part VI)	11	Yes	
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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) a <input checked="" type="checkbox"/> The policy was posted at all times on the hospital facility's web site b <input type="checkbox"/> The policy was attached to all billing invoices c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients upon admission to the hospital facility f <input checked="" type="checkbox"/> The policy was available upon request g <input type="checkbox"/> Other (describe in Part VI)	13	Yes	

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 <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments or arrests e <input type="checkbox"/> 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? If "Yes," check all actions in which the hospital facility or a third party engaged a <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments e <input type="checkbox"/> Other similar actions (describe in Part VI)	16		No
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply) a <input type="checkbox"/> Notified patients of the financial assistance policy upon admission b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills d <input type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy e <input type="checkbox"/> 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? If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> 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? If "Yes," explain in Part VI	20	No
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? If "Yes," explain in Part VI	21	No

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)

ARMC SATELLITE EMERGENCY DEPARTMENT

Name of Hospital Facility:_____

Line Number of Hospital Facility (from Schedule H, Part V, Section A):_____3_____

	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 If "Yes," indicate what the Needs Assessment describes (check all that apply) a <input type="checkbox"/> A definition of the community served by the hospital facility b <input type="checkbox"/> Demographics of the community c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community d <input type="checkbox"/> How data was obtained e <input type="checkbox"/> The health needs of the community f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet those needs h <input type="checkbox"/> The process for consulting with persons representing the community's interests i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs j <input type="checkbox"/> Other (describe in Part VI)	1	
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? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply) a <input type="checkbox"/> Hospital facility's website b <input type="checkbox"/> Available upon request from the hospital facility c <input type="checkbox"/> Other (describe in Part VI)	5	
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply) a <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community b <input type="checkbox"/> Execution of the implementation strategy c <input type="checkbox"/> Development of a community-wide community benefit plan for the facility d <input type="checkbox"/> Participation in community-wide community benefit plan e <input type="checkbox"/> Inclusion of a community benefit section in operational plans f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA g <input type="checkbox"/> Prioritization of health needs in the community h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community i <input type="checkbox"/> 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? If "Yes," indicate the FPG family income limit for eligibility for free care <u>300</u> % If "No," explain in Part VI the criteria the hospital facility used	9	Yes

Part V

Facility Information (continued)

		Yes	No	
10	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>500</u> % If "No," explain in Part VI the criteria the hospital facility used	10	Yes	
11	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) a <input checked="" type="checkbox"/> Income level b <input checked="" type="checkbox"/> Asset level c <input checked="" type="checkbox"/> Medical indigency d <input checked="" type="checkbox"/> Insurance status e <input checked="" type="checkbox"/> Uninsured discount f <input checked="" type="checkbox"/> Medicaid/Medicare g <input checked="" type="checkbox"/> State regulation h <input type="checkbox"/> Other (describe in Part VI)	11	Yes	
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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) a <input checked="" type="checkbox"/> The policy was posted at all times on the hospital facility's web site b <input type="checkbox"/> The policy was attached to all billing invoices c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients upon admission to the hospital facility f <input checked="" type="checkbox"/> The policy was available upon request g <input type="checkbox"/> Other (describe in Part VI)	13	Yes	

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 <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments or arrests e <input type="checkbox"/> 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? If "Yes," check all actions in which the hospital facility or a third party engaged a <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments e <input type="checkbox"/> Other similar actions (describe in Part VI)	16		No
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply) a <input type="checkbox"/> Notified patients of the financial assistance policy upon admission b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills d <input type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy e <input type="checkbox"/> 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? If "No," indicate why	Yes	
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> 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	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> 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? If "Yes," explain in Part VI		No
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? If "Yes," explain in Part VI		No

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? 13

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, 6l, 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
ELIGIBILITY FOR DISCOUNTED CARE	PART I, LINE 3C	THE INCOME BASED CRITERIA USED TO DETERMINE ELIGIBILITY IS PER NEW JERSEY ADMINISTRATIVE CODE 10 52 SUB CHAPTERS 11, 12 AND 13, AND BASED UPON THE 2011 POVERTY GUIDELINES (DEPARTMENT OF HEALTH AND SENIOR SERVICES) FPG ARE INCLUDED IN THE CRITERIA FOR DETERMINING ELIGIBILITY FOR CHARITY AND DISCOUNTED CARE

Identifier	ReturnReference	Explanation
COMMUNITY BENEFIT REPORT	SCHEDULE H, PART I, QUESTION 6A	IN 2009 THE ORGANIZATION ISSUED A REPORT FOR COMMUNITY BENEFIT ACTIVITIES FOR THE THREE YEAR PERIOD 2006-2008 IN ADDITION, THE ORGANIZATION FILED A COMMUNITY BENEFIT REPORT WITH THE NEW JERSEY HOSPITAL ASSOCIATION WITH THE 2010 DATA, WHICH SUBSEQUENTLY WAS PUBLISHED IN 2011 AS A COMBINED REPORT FOR NEW JERSEY HOSPITALS

Identifier	ReturnReference	Explanation
SUBSIDIZED HEALTH SERVICES	SCHEDULE H, PART I, QUESTION 7G	SUBSIDIZED HEALTH SERVICES INCLUDE NICU, PRENATAL, PALLIATIVE CARE, RNS VAN SERVICE, BREAST HEALTH, PSYCHIATRIC INTERVENTION PROGRAM, HIV COUNSELING AND OUTPATIENT DIALYSIS. THOSE PROGRAMS ARE IDENTIFIED AS A NEED IN THE COMMUNITY AND ARE SUBSIDIZED BY EXTERNAL AND INTERNAL FUNDS.

Identifier	ReturnReference	Explanation
PERCENT OF TOTAL EXPENSE	SCHEDULE H, PART I, QUESTION 7 COLUMN (F)	THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS \$36,220,324

Identifier	ReturnReference	Explanation
CHARITY CARE AND CERTAIN OTHER COMMUNITY BENEFIT COST	SCHEDULE H, PART I, QUESTION 7	THE ORGANIZATION UTILIZED MCKESSON'S COST ACCOUNTING SYSTEM TO ESTIMATE COSTS

Identifier	ReturnReference	Explanation
BAD DEBT EXPENSE	SCHEDULE H, PART III, SECTION A, QUESTION 4	<p>BAD DEBT EXPENSE WAS CALCULATED USING THE PROVIDERS' BAD DEBT EXPENSE FROM ITS AUDITED FINANCIAL STATEMENTS, ADJUSTED FOR SELF-PAY CONTRACTUAL ALLOWANCES MULTIPLIED BY ITS COST TO CHARGE RATIO ATLANTICARE HEALTH SYSTEM, INC AND ITS AFFILIATES, INCLUDING ITS HOSPITALS AND SUBSIDIARIES, PREPARE AND ISSUE AUDITED CONSOLIDATED FINANCIAL STATEMENTS THE SYSTEM'S ALLOWANCE FOR DOUBTFUL ACCOUNTS (BAD DEBT EXPENSE) METHODOLOGY AND CHARITY CARE POLICIES ARE CONSISTENTLY APPLIED ACROSS ALL HOSPITAL AFFILIATES THE ATTACHED TEXT WAS OBTAINED FROM THE FOOTNOTES TO THE AUDITED FINANCIAL STATEMENTS OF THE ATLANTICARE HEALTH SYSTEM, INC CHARITY CARE THE MEDICAL CENTER PROVIDES CARE TO CERTAIN PATIENTS WITHOUT CHARGE OR AT AMOUNTS LESS THAN ITS ESTABLISHED RATES THE COSTS OF CHARITY CARE AND OTHER COMMUNITY BENEFIT ACTIVITIES ARE DERIVED FROM BOTH ESTIMATED AND ACTUAL DATA THE ESTIMATED COST OF CHARITY CARE INCLUDES THE DIRECT AND INDIRECT COST OF PROVIDING SUCH SERVICES AND IS ESTIMATED UTILIZING THE MEDICAL CENTER'S RATIO OF COST TO GROSS CHARGES, WHICH IS THEN MULTIPLIED BY THE GROSS UNCOMPENSATED CHARGES ASSOCIATED WITH PROVIDING CARE TO CHARITY PATIENTS THE COST OF PROVIDING THESE SERVICES AND SUPPLIES TO PATIENTS WHO MEET THE CHARITY CARE ELIGIBILITY REQUIREMENTS APPROXIMATED \$49,100,000 AND \$47,200,000 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010, RESPECTIVELY THESE AMOUNTS INCLUDE \$1,790,000 AND \$6,700,000, RESPECTIVELY, OF CHARITY CARE PROVIDED THAT MET THE ELIGIBILITY CRITERIA BUT FOR WHICH STATE SUPPORT WAS NOT AVAILABLE THE STATE OF NEW JERSEY HEALTH CARE REFORM ACT OF 1992, CHAPTER 160, ESTABLISHED THE HEALTH CARE SUBSIDY FUND (HCSF) TO PROVIDE A MECHANISM AND FUNDING SOURCE TO COMPENSATE HOSPITALS FOR ELIGIBLE CHARITY CARE PROVIDED FOR CHARITY CARE SERVICES RENDERED, THE MEDICAL CENTER RECOGNIZED IN NET PATIENT SERVICE REVENUE A TOTAL ALLOCATION FROM THE HCSF OF \$24,314,000 AND \$21,615,000 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010, RESPECTIVELY THE MEDICAL CENTER ALSO PROVIDES FREE CARE TO OTHER PATIENTS WHO DO NOT MEET THE STATE ELIGIBILITY REQUIREMENTS OR ARE NOT COMPLIANT IN PURSUING ELIGIBILITY STATUS SUCH AMOUNTS ARE INCLUDED IN THE CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS AS PART OF THE PROVISION FOR UNCOLLECTIBLES, NET OF ANY RECOVERIES REALIZED THROUGH COLLECTION EFFORTS BEHAVIORAL HEALTH PROVIDES SERVICES TO CLIENTS WITHOUT INSURANCE COVERAGE AND CHARGES RATES BASED ON A SLIDING FEE SCALE BASED ON INCOME AND FAMILY SIZE THE COST OF PROVIDING THESE SERVICES AND SUPPLIES TO PATIENTS THAT MEET THE ESTABLISHED CRITERIA APPROXIMATED \$1,923,000 AND \$1,991,000 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010, RESPECTIVELY ADDITIONALLY, THE COMPANY SPONSORS OTHER CHARITABLE PROGRAMS, WHICH PROVIDE SUBSTANTIAL BENEFIT TO THE BROADER COMMUNITY SUCH PROGRAMS INCLUDE SERVICES TO THE NEEDY AND ELDERLY POPULATION THAT REQUIRE SPECIAL SUPPORT, VARIOUS CLINICAL OUTREACH PROGRAMS, AS WELL AS HEALTH PROMOTION AND EDUCATION FOR THE GENERAL COMMUNITY WELFARE HEALTH CARE AND OTHER SERVICES ARE ALSO PROVIDED TO THOSE COVERED BY MEDICAID AND MEDICARE FOR WHICH THE COMPANY IS NOT REIMBURSED ITS FULL COST</p>

Identifier	ReturnReference	Explanation
COMMUNITY BENEFIT	SCHEDULE H, PART III, SECTION B, QUESTION 8	MEDICARE COSTS WERE DERIVED FROM THE 2011 MEDICARE COST REPORT AND THE COST ACCOUNTING SYS TEM MEDICARE UNDERPAYMENTS AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS ARE IN CLUDABLE ON THE FORM 990, SCHEDULE H, PART I THE ORGANIZATION FEELS THAT MEDICARE UNDERPA YMENTS (SHORTFALL) AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS ARE INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I AS OUTLINED MORE FULLY BELOWTHE ORGANIZATION BELIEVE S THAT THESE SERVICES AND RELATED COSTS PROMOTE THE HEALTH OF THE COMMUNITY AS A WHOLE AND ARE RENDERED IN CONJUNCTION WITH THE ORGANIZATION'S CHARITABLE TAX-EXEMPT PURPOSES AND MI SSION IN PROVIDING MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUAL'S IN A NON-DI SCRIMINATORY MANNER WITHOUT REGARD TO RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION O R ABILITY TO PAY AND CONSISTENT WITH THE COMMUNITY BENEFIT STANDARD PROMULGATED BY THE IRS THE COMMUNITY BENEFIT STANDARD IS THE CURRENT STANDARD FOR A HOSPITAL FOR RECOGNITION AS A TAX-EXEMPT AND CHARITABLE ORGANIZATION UNDER INTERNAL REVENUE CODE ("IRC") 501(C)(3) T HE ORGANIZATION IS RECOGNIZED AS A TAX-EXEMPT ENTITY AND CHARITABLE ORGANIZATION UNDER 501 (C)(3) OF THE IRC ALTHOUGH THERE IS NO DEFINITION IN THE TAX CODE FOR THE TERM "CHARITABL E" A REGULATION PROMULGATED BY THE DEPARTMENT OF THE TREASURY PROVIDES SOME GUIDANCE AND S TATES THAT "[T]HE TERM CHARITABLE IS USED IN 501(C)(3) IN ITS GENERALLY ACCEPTED LEGAL SEN SE," AND PROVIDES EXAMPLES OF CHARITABLE PURPOSES, INCLUDING THE RELIEF OF THE POOR OR UNP RIVILEGED, THE PROMOTION OF SOCIAL WELFARE, AND THE ADVANCEMENT OF EDUCATION, RELIGION, AN D SCIENCE NOTE IT DOES NOT EXPLICITLY ADDRESS THE ACTIVITIES OF HOSPITALS IN THE ABSENCE OF EXPLICIT STATUTORY OR REGULATORY REQUIREMENTS APPLYING THE TERM "CHARITABLE" TO HOSPIT ALS, IT HAS BEEN LEFT TO THE IRS TO DETERMINE THE CRITERIA HOSPITALS MUST MEET TO QUALIFY AS IRC 501(C)(3) CHARITABLE ORGANIZATIONS THE ORIGINAL STANDARD WAS KNOWN AS THE CHARITY CARE STANDARD THIS STANDARD WAS REPLACED BY THE IRS WITH THE COMMUNITY BENEFIT STANDARD WHICH IS THE CURRENT STANDARD CHARITY CARE STANDARD IN 1956, THE IRS ISSUED REVENUE RULING 56-185, WHICH ADDRESSED THE REQUIREMENTS HOSPITALS NEEDED TO MEET IN ORDER TO QUALIFY FOR IRC 501(C)(3) STATUS ONE OF THESE REQUIREMENTS IS KNOWN AS THE "CHARITY CARE STANDARD " UNDER THE STANDARD, A HOSPITAL HAD TO PROVIDE, TO THE EXTENT OF ITS FINANCIAL ABILITY, FRE E OR REDUCED- COST CARE TO PATIENTS UNABLE TO PAY FOR IT A HOSPITAL THAT EXPECTED FULL PAY MENT DID NOT, ACCORDING TO THE RULING, PROVIDE CHARITY CARE BASED ON THE FACT THAT SOME PA TIENTS ULTIMATELY FAILED TO PAY THE RULING EMPHASIZED THAT A LOW LEVEL OF CHARITY CARE DI D NOT NECESSARILY MEAN THAT A HOSPITAL HAD FAILED TO MEET THE REQUIREMENT SINCE THAT LEVEL COULD REFLECT ITS FINANCIAL ABILITY TO PROVIDE SUCH CARE THE RULING ALSO NOTED THAT PUBL IC LY SUPPORTED COMMUNITY HOSPITALS WOULD NORMALLY QUALIFY AS CHARITABLE ORGANIZATIONS BECA USE THEY SERVE THE ENTIRE COMMUNITY, AND A LOW LEVEL OF CHARITY CARE WOULD NOT AFFECT A HO SPITAL'S EXEMPT STATUS IF IT WAS DUE TO THE SURROUNDING COMMUNITY'S LACK OF CHARITABLE DEM ANDS COMMUNITY BENEFIT STANDARD IN 1969, THE IRS ISSUED REVENUE RULING 69-545, WHICH "REM OVE[D]" FROM REVENUE RULING 56-185 "THE REQUIREMENTS RELATING TO CARING FOR PATIENTS WITHO UT CHARGE OR AT RATES BELOW COST " UNDER THE STANDARD DEVELOPED IN REVENUE RULING 69-545, WHICH IS KNOWN AS THE "COMMUNITY BENEFIT STANDARD," HOSPITALS ARE JUDGED ON WHETHER THEY P ROMOTE THE HEALTH OF A BROAD CLASS OF INDIVIDUALS IN THE COMMUNITY THE RULING INVOLVED A HOSPITAL THAT ONLY ADMITTED INDIVIDUALS WHO COULD PAY FOR THE SERVICES (BY THEMSELVES, PRI VATE INSURANCE, OR PUBLIC PROGRAMS SUCH AS MEDICARE), BUT OPERATED A FULL-TIME EMERGENCY R OOM THAT WAS OPEN TO EVERYONE THE IRS RULED THAT THE HOSPITAL QUALIFIED AS A CHARITABLE O RGANIZATION BECAUSE IT PROMOTED THE HEALTH OF PEOPLE IN ITS COMMUNITY THE IRS REASONED TH AT BECAUSE THE PROMOTION OF HEALTH WAS A CHARITABLE PURPOSE ACCORDING TO THE GENERAL LAW O F CHARITY, IT FELL WITHIN THE "GENERALLY ACCEPTED LEGAL SENSE" OF THE TERM "CHARITABLE," A S REQUIRED BY TREAS REG 1 501(C)(3)-1(D)(2) THE IRS RULING STATED THAT THE PROMOTION OF HEALTH, LIKE THE RELIEF OF POVERTY AND THE ADVANCEMENT OF EDUCATION AND RELIGION, IS ONE OF THE PURPOSES IN THE GENERAL LAW OF CHARITY THAT IS DEEMED BENEFICIAL TO THE COMMUNITY A S A WHOLE EVEN THOUGH THE CLASS OF BENEFICIARIES ELIGIBLE TO RECEIVE A DIRECT BENEFIT FROM ITS ACTIVITIES DOES NOT INCLUDE ALL MEMBERS OF THE COMMUNITY, SUCH AS INDIGENT MEMBERS OF THE COMMUNITY, PROVIDED THAT THE CLASS IS NOT SO SMALL THAT ITS RELIEF IS NOT OF BENEFIT TO THE COMMUNITY THE IRS CONCLUDED THAT THE HOSPITAL WAS "PROMOTING THE HEALTH OF A CLASS OF PERSONS THAT IS BROAD ENOUGH TO BENEFIT THE COMMUNITY" BECAUSE ITS EMERGENCY ROOM WAS OPEN TO ALL AND IT PROVIDED CARE TO EVERYONE WHO COULD PAY, WHETHER DIRECTLY OR THROUGH TH IRD-PARTY REIMBURSEMENT OTHER CHARACTERISTICS OF

Identifier	ReturnReference	Explanation
COMMUNITY BENEFIT	SCHEDULE H, PART III, SECTION B, QUESTION 8	<p>THE HOSPITAL THAT THE IRS HIGHLIGHTED INCLUDED THE FOLLOWING ITS SURPLUS FUNDS WERE USED TO IMPROVE PATIENT CARE, EXPAND HOSPITAL FACILITIES, AND ADVANCE MEDICAL TRAINING, EDUCATI ON, AND RESEARCH, IT WAS CONTROLLED BY A BOARD OF TRUSTEES THAT CONSISTED OF INDEPENDENT C IVIC LEADERS, AND HOSPITAL MEDICAL STAFF PRIVILEGES WERE AVAILABLE TO ALL QUALIFIED PHYSIC IANS</p> <p>MEDICARE UNDERPAYMENTS AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS ARE I NCLUDABLE ON THE FORM 990, SCHEDULE H, PART I THE AMERICAN HOSPITAL ASSOCIATION ("AHA") F EELS THAT MEDICARE UNDERPAYMENTS (SHORTFALL) AND BAD DEBT ARE COMMUNITY BENEFIT AND THUS I NCLUDABLE ON THE FORM 990, SCHEDULE H, PART I THIS ORGANIZATION AGREES WITH THE AHA POSIT ION AS OUTLINED IN THE AHA LETTER TO THE IRS DATED AUGUST 21, 2007 WITH RESPECT TO THE FI RST PUBLISHED DRAFT OF THE NEW FORM 990 AND SCHEDULE H, THE AHA FELT THAT THE IRS SHOULD I NCORPORATE THE FULL VALUE OF THE COMMUNITY BENEFIT THAT HOSPITALS PROVIDE BY COUNTING MEDI CARE UNDERPAYMENTS (SHORTFALL) AS QUANTIFIABLE COMMUNITY BENEFIT FOR THE FOLLOWING REASONS - PROVIDING CARE FOR THE ELDERLY AND SERVING MEDICARE PATIENTS IS AN ESSENTIAL PART OF T HE COMMUNITY BENEFIT STANDARD - MEDICARE, LIKE MEDICAID, DOES NOT PAY THE FULL COST OF CA RE</p> <p>RECENTLY, MEDICARE REIMBURSES HOSPITALS ONLY 92 CENTS FOR EVERY DOLLAR THEY SPEND TO T AKE CARE OF MEDICARE PATIENTS THE MEDICARE PAYMENT ADVISORY COMMISSION ("MEDPAC") IN ITS MARCH 2007 REPORT TO CONGRESS CAUTIONED THAT UNDERPAYMENT WILL GET EVEN WORSE, WITH MARGIN S REACHING A 10-YEAR LOW AT NEGATIVE 5 4 PERCENT - MANY MEDICARE BENEFICIARIES, LIKE THEI R MEDICAID COUNTERPARTS, ARE POOR MORE THAN 46 PERCENT OF MEDICARE SPENDING IS FOR BENEFI CIARIES WHOSE INCOME IS BELOW 200 PERCENT OF THE FEDERAL POVERTY LEVEL MANY OF THOSE MEDI CARE BENEFICIARIES ARE ALSO ELIGIBLE FOR MEDICAID -- SO CALLED "DUAL ELIGIBLES " THERE IS EVERY COMPELLING PUBLIC POLICY REASON TO TREAT MEDICARE AND MEDICAID UNDERPAYMENTS SIMILAR LY FOR PURPOSES OF A HOSPITAL'S COMMUNITY BENEFIT AND INCLUDE THESE COSTS ON FORM 990, SCH EDULE H, PART I</p> <p>MEDICARE UNDERPAYMENT MUST BE SHOULDERED BY THE HOSPITAL IN ORDER TO CONT INUE TREATING THE COMMUNITY'S ELDERLY AND POOR THESE UNDERPAYMENTS REPRESENT A REAL COST OF SERVING THE COMMUNITY AND SHOULD COUNT AS A QUANTIFIABLE COMMUNITY BENEFIT BOTH THE AH A AND THIS ORGANIZATION ALSO FEEL THAT PATIENT BAD DEBT IS A COMMUNITY BENEFIT AND THUS IN CLUDABLE ON THE FORM 990, SCHEDULE H, PART I LIKE MEDICARE UNDERPAYMENT (SHORTFALLS), THE RE ALSO ARE COMPELLING REASONS THAT PATIENT BAD DEBT SHOULD BE COUNTED AS QUANTIFIABLE COM MUNITY BENEFIT AS FOLLOWS - A SIGNIFICANT MAJORITY OF BAD DEBT IS ATTRIBUTABLE TO LOW-INC OME PATIENTS, WHO, FOR MANY REASONS, DECLINE TO COMPLETE THE FORMS REQUIRED TO ESTABLISH E LIGIBILITY FOR HOSPITALS' CHARITY CARE OR FINANCIAL ASSISTANCE PROGRAMS A 2006 CONGRESSIO NAL BUDGET OFFICE ("CBO") REPORT, NONPROFIT HOSPITALS AND THE PROVISION OF COMMUNITY BENEF ITS, CITED TWO STUDIES INDICATING THAT "THE GREAT MAJORITY OF BAD DEBT WAS ATTRIBUTABLE TO PATIENTS WITH INCOMES BELOW 200% OF THE FEDERAL POVERTY LINE "</p> <p>- THE REPORT ALSO NOTED TH AT A SUBSTANTIAL PORTION OF BAD DEBT IS PENDING CHARITY CARE UNLIKE BAD DEBT IN OTHER IND USTRIES, HOSPITAL BAD DEBT IS COMPLICATED BY THE FACT THAT HOSPITALS FOLLOW THEIR MISSION TO THE COMMUNITY AND TREAT EVERY PATIENT THAT COMES THROUGH THEIR EMERGENCY DEPARTMENT, RE GARDLESS OF ABILITY TO PAY PATIENTS WHO HAVE OUTSTANDING BILLS ARE NOT TURNED AWAY, UNLIK E OTHER INDUSTRIES BAD DEBT IS FURTHER COMPLICATED BY THE AUDITING INDUSTRY'S STANDARDS O N REPORTING CHARITY CARE MANY PATIENTS CANNOT OR DO NOT PROVIDE THE NECESSARY, EXTENSIVE DOCUMENTATION REQUIRED TO BE DEEMED CHARITY CARE BY AUDITORS AS A RESULT, ROUGHLY 40% OF BAD DEBT IS PENDING CHARITY CARE - THE CBO CONCLUDED THAT ITS FINDINGS "SUPPORT THE VALID ITY OF THE USE OF UNCOMPENSATED CARE [BAD DEBT AND CHARITY CARE] AS A MEASURE OF COMMUNITY BENEFITS" ASSUMING THE FINDINGS ARE GEN</p>

Identifier	ReturnReference	Explanation
COLLECTION POLICY	SCHEDULE H, PART III, SECTION B, QUESTION 9B	PATIENTS RECEIVE A STATEMENT AFTER RECEIVING SERVICES IF CONTACTING THE ORGANIZATION REGARDING THEIR INABILTY TO PAY, PATIENTS IMMEDIATLEY WILL BE REFERRED TO AN INTERNAL FINANCIAL ASSISTANCE COUNSELOR THIS INDIVIDUAL WILL SCREEN THE PATIENT TO DETERMINE IF THE PATIENT IS ELIGIBLE FOR CHARITY CARE OR THE STATE MEDICAID PROGRAM

Identifier	ReturnReference	Explanation
FACILITY INFORMATION	SCHEDULE H, PART V, SECTION B, QUESTIONS 1J, 3, 4, 5C, 6I & 7	NOT APPLICABLE

Identifier	ReturnReference	Explanation
FACILITY INFORMATION	SCHEDULE H, PART V, SECTION B, QUESTIONS 9, 10, 11 H, 13 G, 15 E, 16 E, 17 E, 18 D, 20 & 21	NOT APPLICABLE

Identifier	ReturnReference	Explanation
FACILITY INFORMATION	SCHEDULE H, PART V, SECTION B, QUESTION 19D	ATLANTICARE REGIONAL MEDICAL CENTER HAS INSTITUTED A SELF PAY DISCOUNT POLICY THAT LIMITS CHARGES FOR MEDICAL SERVICES TO AN AMOUNT NOT TO EXCEED 115% OF THE APPLICABLE MEDICARE REIMBURSEMENT RATE FOR ALL QUALIFIED UNINSURED PATIENTS WHO ARE NOT ELIGIBLE FOR EXISTING STATE, FEDERAL AND LOCAL PROGRAMS

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	SCHEDULE H, PART VI, QUESTION 2	IN PRIOR YEARS, ATLANTICARE REGIONAL MEDICAL CENTER HAS PARTICPATED IN A COUNTY WIDE COMMUNITY NEEDS ASSESSMENT IN CONJUNCTION WITH THE ATLANTIC COUNTY DIVISION OF PUBLIC HEALTH ATLANTICARE REGIONAL MEDICAL CENTER ALSO RECEIVES COMMUNITY NEEDS ASSESSMENT INFORMATION FROM LOCAL AGENCIES SUCH AS THE UNITED WAY WHICH WE UTILIZE IN OUR PLANNING PROCESS ANOTHER TOOL THAT IS USED BY ATLANTICARE REGIONAL MEDICAL CENTER TO IDENTIFY COMMUNITY NEEDS ARE THE CUSTOMER FOCUS GROUPS THAT ARE HELD BY OUR MARKETING DEPARTMENT ATLANTICARE REGIONAL MEDICAL CENTER IS PLANNING ON UPDATING THE NEEDS ASSESSMENT IN 2012

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	SCHEDULE H, PART VI, QUESTION 3	ALL PATIENTS ARE INFORMED REGARDING THE AVAILABILITY OF CHARITY CARE THIS IS ACCOMPLISHED THROUGH POSTED SIGNS AND WRITTEN NOTICES PROVIDED AT THE TIME OF REGISTRATION IN BOTH ENGLISH AND SPANISH ATLANTICARE REGIONAL MEDICAL CENTER WILL ASSIST ANY PATIENT INTERESTED IN APPLYING BY PLACING THEM IN CONTACT WITH THE APPROPRIATE PERSONNEL IN THE COMPANY'S REGISTRATION OR BUSINESS OFFICE

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION	SCHEDULE H, PART VI, QUESTION 4	ATLANTICARE REGIONAL MEDICAL CENTER PROVIDES URGENT AND EMERGENT HEALTHCARE SERVICES TO ALL INDIVIDUALS AND ALSO PROVIDES ELECTIVE PROCEDURES TO APPROXIMATELY 430,000 MEMBERS IN THE SOUTH JERSEY COMMUNITY IN A NON-DISCRIMINATORY MANNER REGARDLESS OF MEDICAL CONDITION, RACE, CREED, AGE, SEX, LIFESTYLE OR ABILITY TO PAY THE PRIMARY SERVICE AREAS ARE ATLANTIC COUNTY (COMPRISED OF 16 ZIP CODES IN CENTRAL AND EASTERN ATLANTIC COUNTY) AND SOUTHERN OCEAN COUNTY (TUCKERTON ZIP CODE ONLY) THE REGIONAL SERVICE IS COMPRISED OF ATLANTIC COUNTY RSA (REMAINING ZIP CODES), CAPE MAY COUNTY RSA AND SOUTHERN OCEAN COUNTY RSA (LONG BEACH ISLAND, MANAHAWKIN AND WEST CREEK)

Identifier	ReturnReference	Explanation
PROMOTION OF COMMUNITY HEALTH	SCHEDULE H, PART VI, QUESTION 5	PLEASE REFER TO FORM 990, SCHEDULE O, WHICH CONTAINS THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT AND SUMMARY OF ALL ENTITIES WHICH COMPRISE THE ATLANTICARE HEALTH SYSTEM, INC AND AFFILIATES FOR FURTHER INFORMATION ON HOW THE ORGANIZATION'S HOSPITALS AND OTHER HEALTHCARE FACILITIES FURTHER ATLANTICARE'S CHARITABLE TAX-EXEMPT PURPOSES BY PROMOTING THE HEALTH OF THE COMMUNITY AND MEET THE CRITERIA OUTLINED IN REVENUE RULING 69-545

Identifier	ReturnReference	Explanation
AFFILIATED HEALTHCARE SYSTEM	SCHEDULE H, PART VI, QUESTION 6	<p>ATLANTICARE HEALTH SYSTEM, INC IS THE PARENT ENTITY OF ATLANTICARE HEALTH SYSTEM, INC AND ITS AFFILIATES ALL AFFILIATES ARE COMMITTED TO ENHANCING THE OVERALL HEALTH STATUS OF THE COMMUNITY BY PROVIDING THE HIGHEST QUALITY HEALTHCARE AND RELATED SERVICES THE SYSTEM STRIVES TO EXCEED THE PATIENTS' EXPECTATIONS EMPHASIZING COMMITMENT, COMPETENCE, COLLABORATION, COMMUNICATION, AND COMPASSION PLEASE ALSO REFER TO SCHEDULE O NOT FOR-PROFIT ATLANTICARE HEALTHCARE SYSTEM, INC ENTITIES ATLANTICARE HEALTH SYSTEM, INC =====</p> <p>===== ATLANTICARE HEALTH SYSTEM, INC ("AH SYSTEM") IS THE TAX-EXEMPT PARENT OF THE ATLANTICARE HEALTH SYSTEM, INC AND AFFILIATES SYSTEM ("SYSTEM") THIS INTEGRATED HEALTH CARE DELIVERY SYSTEM CONSISTS OF A GROUP OF AFFILIATED HEALTHCARE ORGANIZATIONS THE SOLE MEMBER OR STOCKHOLDER OF EACH ENTITY IS EITHER AH SYSTEM OR ANOTHER SYSTEM AFFILIATE CONTROLLED BY AH SYSTEM SYSTEM IS AN INTEGRATED NETWORK OF HEALTHCARE PROVIDERS THROUGHOUT THE STATE OF NEW JERSEY ATLANTICARE HEALTH SYSTEM, INC IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE 501(C)(3) AND AS A SUPPORTING ORGANIZATION PURSUANT TO INTERNAL REVENUE CODE 509(A)(3) AH SYSTEM ENSURES THAT ITS SYSTEM PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN OF ABILITY TO PAY NO INDIVIDUALS ARE DENIED NECESSARY MEDICAL CARE, TREATMENT OR SERVICES AH SYSTEM IS THE SOLE CORPORATE MEMBER OF ATLANTICARE REGIONAL MEDICAL CENTER ("ARMC"), A HOSPITAL PROVIDING COMPREHENSIVE INPATIENT, OUTPATIENT AND EMERGENCY SERVICES ARMC OPERATES CONSISTENTLY WITH THE FOLLOWING CRITERIA OUTLINED IN IRS REVENUE RULING 69-545 1 PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS REGARDLESS OF ABILITY TO PAY, INCLUDING CHARITY CARE, SELF-PAY, MEDICARE AND MEDICAID PATIENTS, 2 OPERATES AN ACTIVE EMERGENCY DEPARTMENT FOR ALL PERSONS, WHICH IS OPEN 24 HOURS A DAY, 7 DAYS A WEEK, 365 DAYS PER YEAR, 3 MAINTAINS AN OPEN MEDICAL STAFF, WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS, 4 CONTROL OF IT RESTS WITH ITS BOARD OF TRUSTEES AND THE BOARD OF TRUSTEES OF ATLANTICARE HEALTH SYSTEM, INC BOTH BOARDS ARE COMPRISED OF INDEPENDENT CIVIC LEADERS AND OTHER PROMINENT MEMBERS OF THE COMMUNITY, AND 5 SURPLUS FUNDS ARE USED TO IMPROVE THE QUALITY OF PATIENT CARE, EXPAND AND RENOVATE FACILITIES AND ADVANCE MEDICAL CARE, PROGRAMS AND ACTIVITIES ATLANTICARE REGIONAL MEDICAL CENTER</p> <p>===== ATLANTICARE REGIONAL MEDICAL CENTER ("ARMC") IS A 589-BED NON-PROFIT ACUTE CARE MEDICAL CENTER LOCATED IN ATLANTIC CITY, ATLANTIC COUNTY, NEW JERSEY ARMC IS RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS AN INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION PURSUANT TO ITS CHARITABLE PURPOSES, ARMC PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN OR ABILITY TO PAY MOREOVER, ARMC OPERATES CONSISTENTLY WITH THE CRITERIA OUTLINED IN IRS REVENUE RULING 69-54 5 ATLANTICARE BEHAVIORAL HEALTH, INC</p> <p>===== ATLANTICARE BEHAVIORAL HEALTH, INC IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE 501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE 509(A)(1) THE ORGANIZATION PROVIDES MEDICALLY NECESSARY HEALTH CARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY ATLANTICARE BEHAVIORAL HEALTH, INC MANAGES A 30-BED ACUTE CARE PSYCHIATRIC FACILITY IN ATLANTIC COUNTY, NEW JERSEY AND OPERATES 26 LOCATIONS THROUGHOUT THE REGION THE ORGANIZATION PROVIDES INPATIENT, PARTIAL HOSPITALIZATION, AND INTENSIVE OUTPATIENT PROGRAMS FOR ADULTS AND OLDER ADULTS DIAGNOSED WITH PSYCHIATRIC AND DUAL DISORDERS ATLANTICARE BEHAVIORAL HEALTH, INC IS ACCREDITED BY THE JOINT COMMISSION ON ACCREDITATION FOR HEALTHCARE ORGANIZATIONS ATLANTICARE FOUNDATION ==</p> <p>===== ATLANTICARE FOUNDATION, INC IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE 501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE 509(A)(1) THROUGH FUNDRAISING ACTIVITIES THE ORGANIZATION SUPPORTS THE CHARITABLE PURPOSES, PROGRAMS AND SERVICES OF ATLANTICARE REGIONAL MEDICAL CENTER, A RELATED INTERNAL REVENUE CODE 501(C)(3) TAX-EXEMPT ORGANIZATION, THAT PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY ATLANTICARE HEALTH ENGAGEMENT, INC</p> <p>===== ATLANTICARE HEALTH ENGAGEMENT, INC IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE C</p>

Identifier	ReturnReference	Explanation
AFFILIATED HEALTHCARE SYSTEM	SCHEDULE H, PART VI, QUESTION 6	<p>ODE 501(C)(3) THE ORGANIZATION IS PRIMARILY AN AMBULATORY CARE NETWORK THAT REACHES BEYOND ATLANTICARE REGIONAL MEDICAL CENTER TO ADDRESS THE HEALTH AND WELLNESS NEEDS FOR THE REGIONAL RESIDENTS THROUGHOUT ALL STAGES OF LIFE ATLANTICARE HEALTH SERVICES, INC =====</p> <p>===== ATLANTICARE HEALTH SERVICES, INC IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE 501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE 509(A)(2) THE ORGANIZATION IS PRIMARILY AN AMBULATORY CARE NETWORK THAT REACHES BEYOND ATLANTICARE REGIONAL MEDICAL CENTER TO ADDRESS THE HEALTH AND WELLNESS NEEDS FOR THE REGIONAL RESIDENTS THROUGHOUT ALL STAGES OF LIFE ATLANTICARE PHYSICIAN GROUP, P A =====</p> <p>===== ATLANTICARE PHYSICIAN GROUP, P A IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE 501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE 509(A)(3) THE ORGANIZATION PROVIDES SERVICES OUTSIDE OF THE HOSPITAL ATMOSPHERE TO SPECIALIZE IN PREVENTIVE CARE AND IN DIAGNOSING AND TREATING VARIOUS ILLNESSES INFOSHARE, INC =====</p> <p>INFOSHARE, INC IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE 501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE 509(A)(3) THE ORGANIZATION IS THE INFORMATION TECHNOLOGY FIRM OF ATLANTICARE REGIONAL MEDICAL CENTER AND, AS SUCH, SUPPORTS ALL OTHER ATLANTICARE HEALTH SYSTEM, INC AFFILIATES TO ACHIEVE MAXIMUM RESULTS THROUGH THE USE OF INFORMATION TECHNOLOGY FOR PROFIT ATLANTICARE HEALTHCARE SYSTEM, INC ENTITIES INCLUDE THE FOLLOWING ATLANTICARE HEALTH PLANS, INC =====</p> <p>===== A FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS AHSYSTEM THE ENTITY PROVIDES INSURANCE SERVICES FOR BOTH ATLANTICARE HEALTH SYSTEM ENTITIES AND NON ATLANTICARE HEALTH SYSTEM ENTITIES ATLANTICARE HEALTH SOLUTIONS, INC =====</p> <p>===== AN INACTIVE FOR-PROFIT CORPORATION ATLANTICARE SURGERY CENTER, LLC =====</p> <p>===== A LIMITED LIABILITY COMPANY TAXED AS A PARTNERSHIP LOCATED IN EGG HARBOR TOWNSHIP, ATLANTIC COUNTY, NEW JERSEY THE ORGANIZATION PROVIDES HEALTHCARE SERVICES TO INDIVIDUALS BENEFIT SPECIALISTS, INC =====</p> <p>===== A FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS AHSYSTEM THE ENTITY PROVIDES INSURANCE SERVICES FOR BOTH ATLANTICARE HEALTH SYSTEM ENTITIES AND NON ATLANTICARE HEALTH SYSTEM ENTITIES COOPERATIVE HEALTHCARE SERVICES OF SOUTH JERSEY, LLC =====</p> <p>=====</p> <p>A LIMITED LIABILITY COMPANY TAXED AS A PARTNERSHIP OWNED BY ATLANTICARE HEALTH SYSTEM, INC THE ORGANIZATION PROVIDES HEALTHCARE SERVICES TO INDIVIDUALS ENGLISH CREEK ASSURANCE, LTD ==</p> <p>===== A CONTROLLED FOREIGN CORPORATION BY ATLANTICARE HEALTH SYSTEM, INC THE ORGANIZATION WAS FORMED AND OPERATES SOLELY IN BERMUDA SOUTH JERSEY ONCOLOGY PROPERTIES, LLC =====</p> <p>===== A LIMITED LIABILITY COMPANY TAXED AS A PARTNERSHIP OWNED BY ATLANTICARE HEALTH SERVICES, INC THE ORGANIZATION PROVIDES HEALTHCARE SERVICES TO INDIVIDUALS SOUTH JERSEY SPECIALTY HOSPITAL, INC =====</p> <p>===== A FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS AHSYSTEM THE ORGANIZATION IS LOCATED IN EGG HARBOR TOWNSHIP, ATLANTIC COUNTY, NEW JERSEY THE ORGANIZATION PROVIDES HEALTHCARE SERVICES TO INDIVIDUALS</p>

Identifier	ReturnReference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT	SCHEDULE H, PART III, SECTION B, QUESTION 7	NOT APPLICABLE THE ENTITY AND RELATED PROVIDER ORGANIZATIONS ARE LOCATED IN NEW JERSEY NO COMMUNITY BENEFIT REPORT IS FILED WITH THE STATE OF NEW JERSEY

Additional Data

Software ID:
Software Version:
EIN: 90-0779828
Name: ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

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

[illegible]

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

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

Employer identification number
90-0779828

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) ATLANTICARE HEALTH ENGAGEMENT INC2500 ENGLISH CREEK AVE EGG HARBOR TOWNSHIP, NJ 08234	61-1608389	501(C)(3)	3,000,000				PROGRAM SUPPORT
(2) ATLANTICARE REGIONAL MEDICAL CENTER1925 PACIFIC AVENUE ATLANTIC CITY, NJ 08401	21-0634549	501(C)(3)	873,047				PROGRAM SUPPORT
(3) ATLANTICARE PHYSICIAN GROUP PA 2500 ENGLISH CREEK AVE EGG HARBOR TOWNSHIP, NJ 08234	02-0701782	501(C)(3)	7,784,639				PROGRAM SUPPORT
(4) RUTGERS COOPERATIVE EXTENSIONS OF ATLANTIC CO6260 OLD HARDING HIGHWAY MAYS LANDING, NJ 08330	22-6065311	501(C)(3)	17,455				PROGRAM SUPPORT

2

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

4

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
(1) EMPLOYEE ASSISTANCE	21	36,099			

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
GRANT AND FUND MONITORING	SCHEDULE I, PART I, QUESTION 2	GRANTS ARE MONITORED BY THE ORGANIZATION'S FINANCE PERSONNEL THROUGH THE UTILIZATION OF COST CENTERS AND OTHER INFORMATION, INCLUDING WRITTEN DOCUMENTATION AND RECEIPTS

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

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.

Name of the organization

ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Employer identification number

90-0779828

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate 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		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div></div>		
	<div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div></div>		
	<div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div></div>		
	<div><div><input type="checkbox"/> Discretionary spending account</div><div><input checked="" type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision 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		
	<div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Written employment contract</div></div>		
	<div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div></div>		
	<div><div><input checked="" type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
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	Yes
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	No
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	Yes
8	Were any amounts reported in Form 990, Part VII, paid or accrued 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	

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.

[illegible]

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
COMPENSATION INFORMATION	SCHEDULE J, PART I, QUESTION 1A	THE ORGANIZATION PAID FOR FINANCIAL/TAX PLANNING SERVICES FOR CERTAIN EMPLOYEES. THE FINANCIAL/TAX PLANNING SERVICES AMOUNTS OUTLINED HEREIN WERE INCLUDED IN EACH INDIVIDUAL'S RESPECTIVE 2011 FORM W-2 AS TAXABLE WAGES: LORI S. HERNDON, \$1,500; DAVID P. TILTON, \$1,500; KATHERINE A. SCHNEIDER, M.D., \$1,500; DOMINIC S. MOFFA, \$1,500; DAVID A. DESIMONE, ESQ., \$1,500; JOAN MARY BRENNAN, \$1,500; AND RENE A. ZANELOTTI BUNTING, \$1,500.
COMPENSATION INFORMATION	SCHEDULE J, PART I, QUESTION 4A	THE FOLLOWING INDIVIDUAL RECEIVED A SEVERANCE PAYMENT DURING CALENDAR YEAR 2011 WHICH THE SEVERANCE PAYMENT WAS INCLUDED IN COLUMN B (III) HEREIN AND IN THE INDIVIDUAL'S 2011 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES: DANIEL MORREALE, \$115,550.
COMPENSATION INFORMATION	SCHEDULE J, PART I, QUESTION 4B	THE AMOUNT REFLECTED IN COLUMN B(III) FOR THE FOLLOWING INDIVIDUALS INCLUDES VESTED BENEFITS IN A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ("SERP") WHICH ARE NO LONGER SUBJECT TO A SUBSTANTIAL RISK OF COMPLETE FORFEITURE. THE AMOUNTS OUTLINED HEREIN WERE INCLUDED IN EACH INDIVIDUAL'S 2011 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES: MEL A. MECK, \$12,760; GWENDOLYN MEUSBURGER, \$190; DONALD J. PARKER, \$60,891; AND DANIEL MORREALE, \$354. THE DEFERRED COMPENSATION AMOUNT IN COLUMN C FOR THE FOLLOWING INDIVIDUALS INCLUDES UNVESTED BENEFITS IN AN INTERNAL REVENUE CODE SECTION 457 (F) PLAN (NON-QUALIFIED DEFERRED COMPENSATION PLAN) WHICH ARE SUBJECT TO A SUBSTANTIAL RISK OF COMPLETE FORFEITURE. ACCORDINGLY, THE INDIVIDUALS MAY NEVER ACTUALLY RECEIVE THIS UNVESTED BENEFIT AMOUNT. THE AMOUNTS OUTLINED HEREIN WERE NOT INCLUDED IN THE INDIVIDUAL'S 2011 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES: LORI S. HERNDON, \$35,250; DAVID P. TILTON, \$308,000; JAMES P. NOLAN, JR., CPA, \$33,750; KATHERINE A. SCHNEIDER, \$27,500; DOMINIC S. MOFFA, \$26,833; WALTER A. GREINER, \$23,750; MARGARET A. BELFIELD, \$26,667; MARILUISE VENDITTI, M.D., \$27,500; TERRI LU SCHIEDER, \$22,500; DAVID A. DESIMONE, ESQ., \$20,833; CHARISSE FIZER, \$21,333; RICHARD D. LOVERING, \$20,000; ROBYN O. BEGLEY, \$19,417; JOAN MARY BRENNAN, \$14,167; MEL A. MECK, \$11,667; RENE A. ZANELOTTI BUNTING, \$18,333; AND CHRISTOPHER A. SCANZERA, \$21,667. THE DEFERRED COMPENSATION AMOUNT IN COLUMN C FOR THE FOLLOWING INDIVIDUALS INCLUDES UNVESTED BENEFITS IN A LONG TERM INCENTIVE PLAN WHICH ARE SUBJECT TO A SUBSTANTIAL RISK OF COMPLETE FORFEITURE. ACCORDINGLY, THE INDIVIDUALS MAY NEVER ACTUALLY RECEIVE THE UNVESTED BENEFIT AMOUNT. THE AMOUNTS OUTLINED HEREIN WERE NOT INCLUDED IN THE INDIVIDUAL'S 2011 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES: LORI S. HERNDON, \$51,818; DAVID P. TILTON, \$171,500; JAMES P. NOLAN, JR., CPA, \$49,613; KATHERINE A. SCHNEIDER, M.D., \$40,425; AND DOMINIC S. MOFFA, \$39,445.
COMPENSATION INFORMATION	SCHEDULE J, PART I, QUESTION 7 AND CORE FORM, PART VII	CERTAIN INDIVIDUALS INCLUDED IN SCHEDULE J, PART II RECEIVED A BONUS DURING CALENDAR YEAR 2011 WHICH AMOUNTS WERE INCLUDED IN COLUMN B(II) HEREIN AND IN EACH INDIVIDUAL'S 2011 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES. PLEASE REFER TO THIS SECTION OF THE FORM 990, SCHEDULE J FOR THIS INFORMATION BY PERSON BY AMOUNT.
COMPENSATION INFORMATION	SCHEDULE J, PART II, COLUMN F	THE AMOUNT REPORTED IN SCHEDULE J, PART II, COLUMN F FOR THE FOLLOWING INDIVIDUALS INCLUDES VESTED BENEFITS IN A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ("SERP") BECAUSE THE AMOUNT WAS NO LONGER SUBJECT TO A SUBSTANTIAL RISK OF COMPLETE FORFEITURE. THESE AMOUNTS WERE TREATED AS TAXABLE INCOME AND REPORTED ON EACH INDIVIDUAL'S 2011 FORM W-2, BOX 5 AS TAXABLE MEDICARE WAGES AS FOLLOWS: MEL A. MECK, \$12,760; GWENDOLYN MEUSBURGER, \$190; DONALD J. PARKER, \$60,891; AND DANIEL MORREALE, \$354.

Software ID:

Software Version:

EIN: 90-0779828

Name: ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
BLAIR A BERGEN MD	(i)	0	0	0	0	0	0	0
	(ii)	260,451	267,844	18,414	14,604	34,580	595,893	0
LORI S HERNDON	(i)	390,416	160,000	56,196	104,858	38,320	749,790	0
	(ii)	0	0	0	0	0	0	0
DAVID P TILTON	(i)	0	0	0	0	0	0	0
	(ii)	676,103	315,000	162,932	494,758	29,988	1,678,781	0
WILLIAM B AARONS JR MD	(i)	198,610	16,000	21,636	13,990	3,751	253,987	0
	(ii)	0	0	0	0	0	0	0
IRA M STEIN MD	(i)	183,125	0	1,166	12,501	19,249	216,041	0
	(ii)	0	0	0	0	0	0	0
JAMES P NOLAN JR CPA	(i)	0	0	0	0	0	0	0
	(ii)	377,669	165,000	56,736	98,009	43,874	741,288	0
KATHERINE A SCHNEIDER MD	(i)	294,187	71,980	46,270	83,055	33,250	528,742	0
	(ii)	0	0	0	0	0	0	0
DOMINIC S MOFFA	(i)	0	0	0	0	0	0	0
	(ii)	305,060	120,000	33,866	81,814	39,791	580,531	0
WALTER A GREINER	(i)	261,864	70,000	46,904	39,214	35,395	453,377	0
	(ii)	0	0	0	0	0	0	0
MARGARET A BELFIELD	(i)	359,582	7,500	44,946	40,793	34,978	487,799	0
	(ii)	0	0	0	0	0	0	0
MARILUISE VENDITTI MD	(i)	305,699	69,000	47,346	43,760	39,488	505,293	0
	(ii)	0	0	0	0	0	0	0
TERRI LU SCHIEDER	(i)	261,713	63,000	27,600	39,589	37,746	429,648	0
	(ii)	0	0	0	0	0	0	0
DAVID A DESIMONE ESQ	(i)	0	0	0	0	0	0	0
	(ii)	233,774	62,250	34,140	35,831	36,926	402,921	0
CHARISSE FIZER	(i)	228,643	50,032	43,282	35,471	17,055	374,483	0
	(ii)	0	0	0	0	0	0	0
RICHARD D LOVERING	(i)	0	0	0	0	0	0	0
	(ii)	230,837	60,000	25,849	34,787	37,090	388,563	0
ROBYN O BEGLEY	(i)	207,257	55,920	43,499	35,724	22,404	364,804	0
	(ii)	0	0	0	0	0	0	0
JOAN MARY BRENNAN	(i)	139,203	50,000	40,879	29,699	37,961	297,742	0
	(ii)	0	0	0	0	0	0	0
MEL A MECK	(i)	124,713	29,240	41,698	25,189	33,145	253,985	12,760
	(ii)	0	0	0	0	0	0	0

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
JULIA DREW	(i)	123,604	12,385	0	8,432	10,183	154,604	0
	(ii)	0	0	0	0	0	0	0
RENE A ZANELOTTI BUNTING	(i)	0	0	0	0	0	0	0
	(ii)	197,243	55,000	45,831	32,966	16,608	347,648	0
DONNA MICHAEL ZIEREIS ESQ	(i)	0	0	0	0	0	0	0
	(ii)	143,293	17,997	320	10,079	34,718	206,407	0
GWENDOLYN MEUSBURGER	(i)	122,269	0	190	7,134	34,921	164,514	190
	(ii)	0	0	0	0	0	0	0
GEORGE C STOKES	(i)	114,944	12,271	1,030	8,466	16,338	153,049	0
	(ii)	0	0	0	0	0	0	0
DONALD J PARKER	(i)	57,521	50,000	67,654	10,078	5,037	190,290	60,891
	(ii)	0	0	0	0	0	0	0
KEVIN T MCDONNELL	(i)	158,919	15,879	9,538	10,684	28,369	223,389	0
	(ii)	0	0	0	0	0	0	0
CHRISTOPHER J STEEN	(i)	137,021	16,273	7,807	9,804	28,474	199,379	0
	(ii)	0	0	0	0	0	0	0
CHRISTOPHER A SCANZERA	(i)	30,446	0	114	2,243	0	32,803	0
	(ii)	221,431	64,137	12,876	35,716	17,668	351,828	0
DANIEL MORREALE	(i)	26,665	0	0	0	0	26,665	0
	(ii)	0	0	115,904	0	17,667	133,571	354
ALEXANDER D SHARNOFF ESQ	(i)	0	0	0	0	0	0	0
	(ii)	143,645	16,507	179	9,933	23,474	193,738	0
ROMEO PERICIC MD	(i)	574,306	42,000	18,735	15,458	34,248	684,747	0
	(ii)	0	0	0	0	0	0	0
JAVID IQBAL MD	(i)	373,502	186,460	317	15,223	34,656	610,158	0
	(ii)	0	0	0	0	0	0	0
PETER N THOMPSON MD	(i)	380,387	119,160	20,801	15,392	34,341	570,081	0
	(ii)	0	0	0	0	0	0	0
ALEXANDER AXELRAD MD	(i)	414,561	90,150	2,647	15,467	33,015	555,840	0
	(ii)	0	0	0	0	0	0	0
CATHERINE A DUDICK MD	(i)	444,107	61,150	1,031	15,330	38,984	560,602	0
	(ii)	0	0	0	0	0	0	0

Schedule K (Form 990)	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	
	Department of the Treasury Internal Revenue Service Name of the organization ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES	Employer identification number 90-0779828										

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 NJ HEALTH CARE FACILITIES FINANCING AUTHORITY	22-1987084	64579FGW7	06-01-2005	25,000,000	PLEASE REFER TO PART VI		X		X		X
B NJ HEALTH CARE FACILITIES FINANCING AUTHORITY	22-1987084	64579FQQ9	06-01-2007	113,420,000	PLEASE REFER TO PART VI	X		X			X
C NJ HEALTH CARE FACILITIES FINANCING AUTHORITY	22-1987084	64579FJN4	06-01-2006	25,000,000	PLEASE REFER TO PART VI		X		X		X

Part II Proceeds											
				A	B	C	D				
1	Amount of bonds retired			0	0	0					
2	Amount of bonds defeased			0	0	0					
3	Total proceeds of issue			25,000,000	113,420,000	25,000,000					
4	Gross proceeds in reserve funds			0	4,152,081	0					
5	Capitalized interest from proceeds			0	0	0					
6	Proceeds in refunding escrow			0	62,514,897	0					
7	Issuance costs from proceeds			180,200	1,225,397	104,791					
8	Credit enhancement from proceeds			0	0	0					
9	Working capital expenditures from proceeds			0	0	0					
10	Capital expenditures from proceeds			24,819,800	49,115,000	24,895,209					
11	Other spent proceeds			0	0	0					
12	Other unspent proceeds			0	0	0					
13	Year of substantial completion			2007	2007	2007					
14	Were the bonds issued as part of a current refunding issue?			Yes	No	Yes	No	Yes	No	Yes	No
					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?	X		X		X			
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?	X		X		X			
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		0 %		0 %			
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 %		0 %		0 %			
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
TAX-EXEMPT BOND ISSUES	SCHEDULE K, PART I	PLEASE REFER TO SCHEDULE O SUPPLEMENTAL INFORMATION FOR OUR RESPONSE TO CORE FORM PART X, LINE 20, TAX-EXEMPT BOND LIABILITIES

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons
▶ Complete if the organization answered
"Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V lines 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization
ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Employer identification number
90-0779828

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

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

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

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

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

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

Part III Grants or Assistance Benefitting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
See Additional Data Table					

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

Identifier	Return Reference	Explanation
BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS	SCHEDULE L, PART IV	ERIC M WOOD, ESQ IS A TRUSTEE FOR ATLANTICARE REGIONAL MEDICAL CENTER ATLANTICARE HEALTH SYSTEM, INC AND SUBORDINATES UTILIZED THE SERVICES OF HIS COMPANY, FOX ROTHSCHILD, L L P , DURING 2011 TOTAL FEES PAID TO FOX ROTHSCHILD, L L P BY ORGANIZATIONS INCLUDED IN THIS GROUP FORM 990 WERE \$645,689 SERVICES WERE RENDERED AT FAIR MARKET VALUE RATES PURSUANT TO ARM'S LENGTH NEGOTIATIONS TIM GLENN IS A TRUSTEE FOR ATLANTICARE FOUNDATION, INC ATLANTICARE HEALTH SYSTEM, INC AND SUBORDINATES UTILIZED THE SERVICES OF HIS COMPANY, GLENN INSURANCE, DURING 2011 TOTAL FEES PAID TO GLENN INSURANCE BY ORGANIZATIONS INCLUDED IN THIS GROUP FORM 990 WERE \$1,781,547 SERVICES WERE RENDERED AT FAIR MARKET VALUE RATES PURSUANT TO ARM'S LENGTH NEGOTIATIONS

Additional Data

Software ID:
Software Version:
EIN: 90-0779828
Name: ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction \$	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
MARISSA SCIBILIA	FAMILY MEMBER OF OFFICER	118,011	EMPLOYEE OF ARMC		No
FOX ROTHSCHILD LLP	COMPANY OF TRUSTEE	645,689	LEGAL SERVICES		No
SULIN G YAO	FAMILY MEMBER OF TRUSTEE	53,498	EMPLOYEE OF ARMC		No
CYNTHIA V ARNONE	FAMILY MEMBER OF TRUSTEE	40,528	EMPLOYEE OF AH SERVICES		No
LAURA GRASSO	FAMILY MEMBER OF OFFICER	23,285	EMPLOYEE OF ARMC		No
GLENN INSURANCE	COMPANY OF TRUSTEE	1,781,547	INSURANCE		No
JESSICA L MARTIN	FAM MEMBER OF OFF/TRUSTEE	48,061	EMPLOYEE OF ARMC		No
SCOTT J TILTON	FAM MEMBER OF OFF/TRUSTEE	67,423	EMPLOYEE OF ARMC		No

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

►Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Employer identification number
90-0779828

Part I

Types of Property

	(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (JEWELRY)	X	1	5,000	FMV
GFT CERT,BOOKS&MISC				
26 Other ► (ITEMS)	X	43	71,207	FMV
27 Other ► ()				
28 Other ► ()				

29

Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

30a

During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

30a

Yes

No

b

If "Yes," describe the arrangement in Part II

31

Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

31

Yes

32a

Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?

32a

Yes

b

If "Yes," describe in Part II

33

If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 51227J

Schedule M (Form 990) 2011

Part III

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
NON-CASH CONTRIBUTIONS	SCHEDULE M, PART I, QUESTION 32A	THE ORGANIZATION HIRES INDEPENDENT THIRD-PARTIES TO SELL NON-CASH CONTRIBUTIONS IT RECEIVES, IF THE ORGANIZATION DECIDES NOT TO RETAIN THE ITEM(S) THE ORGANIZATION PAYS FAIR MARKET VALUE RATES AND COMMISSIONS IN THESE INSTANCES

2011

Open to Public
Inspection

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.

Name of the organization

ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Employer identification number

90-0779828

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	<p>ATLANTICARE HEALTH SYSTEM, INC. FEID 22-3265213 ATLANTICARE HEALTH SYSTEM, INC ("SYSTEM") IS A NOT-FOR-PROFIT ORGANIZATION LOCATED IN ATLANTIC CITY, NEW JERSEY. THE SYSTEM IS THE SOLE CORPORATE MEMBER OF VARIOUS HEALTHCARE RELATED ORGANIZATIONS, THE MAJORITY OF WHICH ARE TAX-EXEMPT ENTITIES (COLLECTIVELY "ATLANTICARE"). THE SYSTEM PROVIDES LEADERSHIP, MANAGERIAL AND SUPPORT SERVICES TO A NUMBER OF AFFILIATED HEALTHCARE RELATED ORGANIZATIONS. THE INTERNAL REVENUE SERVICE HAS RECOGNIZED THE SYSTEM AS BEING A TAX-EXEMPT ORGANIZATION UNDER INTERNAL REVENUE CODE ("IRC") CODE SECTION 501(C)(3). SYSTEM AND AFFILIATES ("ATLANTICARE") IS AN INTEGRATED HEALTHCARE SYSTEM DEDICATED TO TRANSFORMING HEALTHCARE AT THE REGIONAL LEVEL BY PROVIDING HIGH QUALITY HEALTH AND WELLNESS SERVICES. ATLANTICARE INCLUDES THE SYSTEM, ATLANTICARE REGIONAL MEDICAL CENTER ("ARMC" AND FORMERLY THE ATLANTIC CITY MEDICAL CENTER), ATLANTICARE BEHAVIORAL HEALTH ("ABH"), ATLANTICARE FOUNDATION ("FOUNDATION"), ATLANTICARE HEALTH SERVICES ("SERVICES"), ATLANTICARE HEALTH PLANS ("HEALTH PLANS"), ATLANTICARE HEALTH ENGAGEMENT (HEALTH ENGAGEMENT) AND INFOSHARE. ADDITIONALLY, THESE KEY ATLANTICARE DIVISIONS PARTICIPATE IN OTHER HEALTHCARE RELATED ACTIVITIES IN COLLABORATION WITH OTHER MEMBERS OF THE COMMUNITY. THE REGION'S LARGEST HEALTHCARE ORGANIZATION AND LARGEST NON-CASINO EMPLOYER, ATLANTICARE'S NEARLY 5,000 EMPLOYEES SERVE THE COMMUNITY IN MORE THAN 60 LOCATIONS. ATLANTICARE AND ITS AFFILIATED ORGANIZATION ARE GOVERNED BY MORE THAN 80 VOLUNTEER COMMUNITY LEADERS WHO DEDICATE CONSIDERABLE TIME AND ENERGY TOWARD THE ULTIMATE ACHIEVEMENT OF ATLANTICARE'S MISSION, VISION AND VALUES.</p> <p>MISSION STATEMENT ===== WE DELIVER HEALTH AND HEALING TO ALL PEOPLE THROUGH TRUSTING RELATIONSHIPS. VISION ===== ATLANTICARE BUILDS HEALTHY COMMUNITIES. VALUES ===== ATLANTICARE STRESSES THE FOLLOWING VALUES: INTEGRITY ----- ACTIONS AND DECISIONS CONSISTENTLY REFLECT THE HIGHEST ETHICAL STANDARDS. ATLANTICARE OPERATES ON THE BASIS OF OPENNESS, TO NURTURE AN ENVIRONMENT OF HONESTY AND TRUST. RESPECT ----- EACH INDIVIDUAL IS TREATED WITH DIGNITY AND COMPASSION. CREATIVITY IS ENCOURAGED. EACH INDIVIDUAL IS EQUALLY IMPORTANT IN A UNIQUE WAY. SAFETY ----- SAFETY OF PATIENTS AND STAFF IS OUR TOP PRIORITY. WE CONTINUE TO INTEGRATE NEW LEARNING IN QUALITY IMPROVEMENT AND SAFETY MANAGEMENT TO ALL ASPECTS OF OUR CARE ENVIRONMENT. SERVICE ----- CUSTOMER COMMITMENTS ARE BUILT UPON THE PHILOSOPHY THAT QUALITY AND SERVICE WILL IMPROVE OVER TIME USING A PROCESS OF CONTINUOUS QUALITY IMPROVEMENT. PERFORMANCE IS MEASURED AGAINST CUSTOMER'S STANDARDS, WITH THE GOAL TO EXCEED THEIR EXPECTATIONS. TEAMWORK ----- TO ACHIEVE THE GREATEST SUCCESS, COLLABORATION AND OPEN COMMUNICATION ARE ESSENTIAL. CHARITABLE PURPOSE ===== ATLANTICARE PROVIDES URGENT AND EMERGENT HEALTHCARE SERVICES TO ALL INDIVIDUALS AND ALSO PROVIDES ELECTIVE PROCEDURES TO INDIVIDUALS WHO RESIDE IN OUR PRIMARY AND REGIONAL SERVICE AREAS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF MEDICAL CONDITION, RACE, COLOR, CREED, SEX, NATIONAL ORIGINS, HANDICAP, AGE, LIFESTYLE, FINANCIAL STATUS OR ABILITY TO PAY. ARMC IS ONE OF TWO "SAFETY NET" HOSPITALS IN SOUTHERN NEW JERSEY PROVIDING APPROXIMATELY \$49 MILLION IN CHARITY CARE, AT COST, WHICH REPRESENTS APPROXIMATELY 90% OF THE CHARITY CARE PROVIDED IN ATLANTIC COUNTY AND MORE CHARITY CARE THAN THE 7 CLOSEST HOSPITALS COMBINED. ATLANTICARE ALSO PROVIDES FREE CARE TO PATIENTS THAT DO NOT MEET THE STATE ELIGIBILITY REQUIREMENTS FOR CHARITY CARE DESIGNATION OR WHO ARE NOT COMPLIANT IN PURSUING ELIGIBILITY STATUS. ADDITIONALLY, ATLANTICARE SPONSORS OTHER CHARITABLE PROGRAMS, WHICH PROVIDE SUBSTANTIAL BENEFIT TO THE BROADER COMMUNITY. SUCH PROGRAMS INCLUDE SERVICES TO THE NEEDY AND ELDERLY POPULATION THAT MAY REQUIRE SPECIAL SUPPORT, VARIOUS CLINICAL OUTREACH PROGRAMS, IN ADDITION TO HEALTH PROMOTION AND DISEASE PREVENTION AND MANAGEMENT EDUCATION FOR THE GENERAL COMMUNITY WELFARE. ATLANTICARE PROUDLY SUPPORTS THE COMMUNITY IN MANY WAYS BY PARTICIPATING IN EVENTS AND OFFERING ACTIVITIES AND SERVICES THAT ENHANCE THE OVERALL QUALITY OF LIFE FOR PEOPLE. THE TOTALITY OF THESE ACTIONS WORK TO BUILD HEALTHY COMMUNITIES. THE UNITED WAY OF ATLANTIC COUNTY IS AN ORGANIZATION WITH WHICH ATLANTICARE HAS HAD CONSIDERABLE INVOLVEMENT. EACH YEAR, ATLANTICARE'S UNITED WAY CAMPAIGN IS AMONG THE STRONGEST AND MOST SUCCESSFUL OF ANY BUSINESS IN ATLANTIC COUNTY. DURING THE 2011 CAMPAIGN, ATLANTICARE AND ITS EMPLOYEES CONTRIBUTED APPROXIMATELY \$250,000. ATLANTICARE PROVIDES SCHOLARSHIPS/SUPPORT TO LOCAL SCHOOLS WHICH INCLUDE SCHOLARSHIPS FOR NURSING AND ALLIED HEALTH DEGREES, TECHNICAL HONOR SOCIETY, SILVER EAGLE AWARD AND SUPPORT OF NUMEROUS LOCAL SCHOOL SPORTS PROGRAMS. ATLANTICARE ALSO PROVIDES EXTENSIVE SUPPORT TO CHARITABLE EVENTS SUCH AS, THE AMERICAN HEART ASSOCIATION HEART WALK, BIG BROTHERS & BIG SISTERS BOWL-A-THON, RUTH NEWMAN SHAPIRO HEART & CANCER MEMORI</p>

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	<p>AL FUND BALL, SHIRLEY MAE BREAST CANCER ASSISTANCE FUND WALK/RUN AND THE GOLD FOUNDATION GOLF TOURNAMENT TO NAME A FEW OTHER COMMUNITY SERVICE PROGRAMS/ORGANIZATIONS OF WHICH ATLANTICARE IS INVOLVED WITH ARE GILDA'S CLUB OF SOUTH JERSEY, AMERICAN RED CROSS, MARCH OF DIMES, SOUTH JERSEY AIDS ALLIANCE AND LOCAL POLICE, FIRE & EMS DEPARTMENTS ATLANTICARE'S INVOLVEMENT IN HEALTH FAIRS, SEMINARS AND SUPPORT GROUPS INCLUDE, BUT IS NOT LIMITED TO, THE ATLANTIC CITY MARATHON, THE HAMMONTON AND MARGATE COMMUNITY FARMERS' MARKETS, NAACP STATE CONFERENCE, SEVERAL HEALTH FAIRS SPONSORED BY LOCAL FAITH BASED GROUPS, THE RICHARD STOCKTON COLLEGE WELLNESS DAYS, ATLANTIC CITY CHAMBER & JEWISH COMMUNITY CENTER'S SENIOR EXPO, COMMUNITY BASED BREAST CANCER SURVIVOR SUPPORT GROUP, THE LINKS/GOLDEN CIRCLE HEALTH FAIR AND HAMMONTON GREEN DAY FESTIVAL ATLANTICARE IS ALSO INVOLVED WITH VARIOUS EDUCATIONAL PROGRAMS THESE INCLUDE, BUT ARE NOT LIMITED TO, JOB SHADOW DAYS, COMMUNITY HEALTH SERVICES SCHOOL PRESENTATIONS, SAFE SITTER PROGRAM, FIRST AID CLASSES, PARENTING, SIBLING AND BIRTHING CLASSES VARIOUS COMMUNITY EVENTS ARE OFFERED BY ATLANTICARE. THESE FREE COMMUNITY EVENTS ARE PROMOTED VIA ATLANTICARE ADVANCES, A CALENDAR MAILING, ADS PLACED IN LOCAL NEWSPAPERS AND ATLANTICARE'S WEBSITE COMMUNITY EVENTS INCLUDE - CANCER SURVIVORS DAY - ADULT DIABETES SUPPORT GROUP - WEIGHT LOSS SURGERY SEMINARS & SUPPORT GROUPS - HEART HEROES MEETINGS - HEADACHES PREVENTION, DIAGNOSIS AND TREATMENT - LOW BACK PAIN BODY BASICS - DEALING WITH A CANCER DIAGNOSIS - MATTERS OF THE HEART LECTURES & CARDIAC SCREENINGS - DEALING WITH JOINT PAIN - PREPARING FOR CHEMOTHERAPY - STRIKE OUT STROKE - COPING WITH LOSS THIS IS NOT AN ALL INCLUSIVE LIST ATLANTICARE BRINGS HEALTH AND WELLNESS SERVICES TO THE COMMUNITY THROUGH MOBILE OUTREACH, EDUCATION, SCREENINGS AND SUPPORT GROUPS COMMUNITY OUTREACH SERVICES IN CURRENT AND PRIOR YEARS INCLUDE - HEART CHECK IS A THOROUGH, CONVENIENT AND AFFORDABLE CARDIAC SCREENING PERFORMED BY AN EXPERIENCED TEAM FROM THE HEART INSTITUTE ON THE ATLANTICARE COMMUNITY HEALTH MOBILE - THE ATLANTICARE REGIONAL MEDICAL CENTER'S MOBILE MAMMOGRAPHY VAN OFFERS WOMEN OVER AGE 35 A BREAST SCREENING IN LESS THAN 30 MINUTES AT A LOCATION CLOSE TO THEIR HOME OR WORKPLACE ARMC PROVIDES MAMMOGRAPHY SERVICES FREE OR ON A SLIDING FEE BASIS TO WOMEN WHO DO NOT HAVE INSURANCE IN 2011 WE SCREENED APPROXIMATELY 3,000 WOMEN THROUGH THE MOBILE MAMMOGRAPHY VAN - "MATTERS OF THE HEART" IS A FREE MONTHLY HEART HEALTH SEMINAR THE HEART INSTITUTE AT ARMC OFFERS THE COMMUNITY IT INCLUDES SCREENINGS FOR BLOOD PRESSURE, CHOLESTEROL AND BLOOD SUGAR IN 2010 THE HEART INSTITUTE CONDUCTED 653 HEART HEALTH CHECKS - SUPPORT GROUPS INCLUDE A STROKE SUPPORT GROUP, A BREAST CANCER SURVIVOR SUPPORT GROUP AND LOOK GOODFEEL BETTER FOR BREAST CANCER PATIENTS, AND A SUPPORT GROUPS FOR PATIENTS WHO HAVE HAD WEIGHT LOSS SURGERY ALONG WITH CARE FOR THE CAREGIVER SUPPORT GROUP, CHRONIC FATIGUE SYNDROME, TOURETTE SYNDROME ALONG WITH LOSS SUPPORT GROUPS OFFERED THROUGH HOSPICE AND WOMEN EXPERIENCING A PERINATAL LOSS</p>

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	<p>- ARMC REGIONAL TRAUMA CENTER DONATED CHILD LIFE VESTS TO LOCAL MARINAS AND SPONSORED ITS SIXTH ANNUAL BIKE HELMET SAFETY PROGRAM ATLANTICARE'S HEALTH ENGAGEMENT SUPPORTS NUMEROUS COMMUNITY OUTREACH PROGRAMS DESIGNED TO IMPROVE THE HEALTH STATUS OF THE RESIDENTS OF SOUT HEASTERN NEW JERSEY A NON-INCLUSIVE LIST OF SUCH PROGRAMS ARE AS FOLLOWS - HEALTHY SCHOO LS/HEALTHY CHILDREN - CHRONIC DISEASE SELF MANAGEMENT CLASSES - A COMMUNITY GARDENING INIT IATIVE, ENTITLED GROWING GREEN - HEALING ARTS PROGRAMMING ATLANTICARE PROVIDES VARIOUS LIF E SUPPORT TRAINING CLASSES INCLUDING THE FOLLOWING - BASIC LIFE SUPPORT PROGRAMS - EMERGE NCY CARDIOVASCULAR CARE PROGRAMS - INSTRUCTOR DEVELOPMENT PROGRAMS AWARDS AND RECOGNITIONS ----- - AMERICAN HOSPITAL ASSOCIATION- MCKESSON QUEST FOR QUALITY PRIZE FINALIST-2011 - AMERICAN HOSPITAL ASSOCIATION FOSTER G MCGAW PRIZE FOR EXCELLENCE IN COM MUNITY SERVICE FINALIST-2011 - ATLANTICARE KIDS EARNS ACCREDITATION FROM THE NATIONAL ASSO CIATION OF THE EDUCATION OF YOUNG CHILDREN (NAEYC)-2010 - ATLANTICARE EARNS SUCCESSFUL OUT COMES THROUGH LEARNING AWARD IN CATEGORY ENTERPRISE LEARNING BY HEALTH STREAM INC -2010 - ATLANTICARE'S BREAST HEALTH PROGRAM RECEIVES A THREE YEAR/FULL ACCREDITATION FROM THE NATI ONAL ACCREDITATION PROGRAM FOR BREAST CENTERS (NAPBC)-2010 - ATLANTICARE NAMED A WINNER IN THE MALCOLM BALDRIDGE NATIONAL QUALITY AWARD-2009 - ATLANTICARE NAMED ONE OF THE 100 MOST WIRED HOSPITALS AND HEALTH SYSTEMS IN THE NATION BY HOSPITALS & HEALTH NETWORKS MAGAZINE -2009 - ATLANTICARE HEART INSTITUTE EARNS AMERICAN HEART/AMERICAN STROKE ASSOCIATION'S SIL VER GET WITH THE GUIDELINES SILVER PERFORMANCE ACHIEVEMENT AWARD- 2009 - ATLANTICARE'S T E A M DIABETES RECEIVES AMERICAN DIABETES ASSOCIATION (ADA) FOR QUALITY SELF MANAGEMENT EDUC ATION RECOGNITION-2009 - ATLANTICARE HOMECARE WAS NAMED ONE OF THE TOP 100 OUT OF 2,600 AG ENCIES NATIONWIDE-2008 - ARMC JOINT INSTITUTE EARNS JOINT COMMISSION GOLD SEAL OF APPROVA L-2008 - HOSPITAL RECOGNITION FOR QUALITY & SAFETY FROM HORIZON BLUE CROSS BLUE SHIELD OF NEW JERSEY-2007 - NEW JERSEY'S GOVERNOR'S AWARD FOR PERFORMANCE EXCELLENCE FOR QUALITY AND PERFORMANCE - BRONZE 2007 - FREEDOM FUND AWARD FROM THE NAACP-2007 - UNITED WAY OF ATLANT IC COUNTY - THOMAS J KU HAR FOUNDER'S AWARD-2006 - ATLANTIC CITY METROPOLITAN BUSINESS & C ITIZENS APPRECIATION AWARD-2006 - NJ HOSPITAL AWARD FOR OUTREACH- MISSION HEALTHCARE-2006 CENTERS FOR MEDICARE AND MEDICAID (CMS) RANKED ARMC SEVENTH IN THE NATION FOR THE CARE OF HEART ATTACK, CONGESTIVE HEART FAILURE AND PNEUMONIA PATIENTS BASED ON DATA COMPILED BY H ARVARD UNIVERSITY FOR THE COMMONWEALTH FUND - UNITED STATES DEPARTMENT OF HEALTH AND HUMA N SERVICES (HHS) MEDAL OF HONOR FOR OUTSTANDING RATES OF ORGAN DONATION ONLY THREE PERCEN T OF HOSPITALS NATIONWIDE HAVE ACHIEVED THE AWARD IN ADDITION, ATLANTICARE PROVIDES A SIG NIFICANT POSITIVE ECONOMIC CONTRIBUTION TO THE COMMUNITY ATLANTICARE DIRECTLY IMPACTS THE COMMUNITY IN A POSITIVE MANNER BY VIRTUE OF EMPLOYING NEARLY 5,000 AREA RESIDENTS ATLANT ICARE SUPPORTS THE LOCAL BUSINESS COMMUNITY BY PURCHASING GOODS AND SERVICES FROM MANY LOC AL AREA BUSINESSES ATLANTICARE REGIONAL MEDICAL CENTER FEID 21-0634549</p> <p>BACKGROUND ===== ARMC IS A 589-BED, NOT-FOR-PROFIT HOSPITAL THAT WAS FOUNDED IN 1898 AS A TEN-BED FACI LITY IN A CONVERTED HOME ON OHIO AVENUE IN ATLANTIC CITY THE INTERNAL REVENUE SERVICE HAS RECOGNIZED ARMC AS BEING A TAX-EXEMPT ORGANIZATION UNDER IRC CODE SECTION 501(C) (3) ARMC OPERATES CONSISTENTLY WITH THE FOLLOWING CRITERIA OUTLINED IN IRS REVENUE RULING 69-545 ARMC PROVIDES URGENT AND EMERGENT HEALTH CARE SERVICES TO ALL INDIVIDUALS AND ALSO PROVID ES ELECTIVE PROCEDURES TO INDIVIDUALS WHO RESIDE IN OUR PRIMARY SERVICE AREA IN A NON-DISC RIMINATORY MANNER REGARDLESS OF MEDICAL CONDITION, RACE, COLOR, CREED, SEX, NATIONAL ORIGI NS, HANDICAP, AGE, LIFESTYLE, FINANCIAL STATUS OR ABILITY TO PAY ARMC OPERATES TWO ACTIVE EMERGENCY ROOMS FOR ALL PERSONS, WHICH ARE OPEN 24 HOURS A DAY, 7 DAYS A WEEK, 365 DAYS PER YEAR, ARMC MAINTAINS AN OPEN MEDICAL STAFF, WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS, AND CONTROL OF ARMC RESTS WITH ITS BOARD OF TRUSTEES, WHICH IS COMPRISED OF IN DEPENDENT CIVIC LEADERS AND OTHER PROMINENT MEMBERS OF THE COMMUNITY SURPLUS FUNDS ARE US ED TO IMPROVE THE QUALITY OF PATIENT CARE, EXPAND AND RENOVATE FACILITIES AND ADVANCE MEDI CAL CARE, PROGRAMS AND ACTIVITIES THE OPERATIONS OF ARMC, AS SHOWN THROUGH THE FACTORS OU TLINED ABOVE AND OTHER INFORMATION CONTAINED HEREIN, CLEARLY DEMONSTRATE THAT THE USE AND CONTROL OF ARMC IS FOR THE BENEFIT OF THE PUBLIC AND THAT NO PART OF THE INCOME OR NET EARN INGS OF THE ORGANIZATION INURES TO THE BENEFIT OF ANY PRIVATE INDIVIDUAL NOR IS ANY PRIVA TE INTEREST BEING SERVED OTHER THAN INCIDENTALLY ARMC'S CITY CAMPUS IS LOCATED IN ATLANTI C CITY WHERE THE HOSPITAL WAS FOUNDED, AND IS A BUSY METROPOLITAN HOSPITAL SERVING A GROWI NG RESIDENT POPULATION AND MORE THAN 35 MILLION TO</p>

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	<p>URISTS EACH YEAR ARMC'S MAINLAND CAMPUS, WHICH OPENED IN 1975, IS LOCATED IN GALLOWAY, NEW JERSEY, ONE OF THE STATE'S FASTEST GROWING RESIDENTIAL AND COMMERCIAL AREAS ARMC OFFERS A NUMBER OF OUTPATIENT SERVICES, MANY OF WHICH IT PROVIDES AT THE ATLANTICARE HEALTHPLEX, OWNED AND OPERATED BY ARMC LOCATED IN ATLANTIC CITY, THE HEALTHPLEX OFFERS A WIDE RANGE OF OUTPATIENT SERVICES IN ONE CONVENIENT LOCATION ARMC IS A TEACHING HOSPITAL, TRAINING RESIDENTS IN A NUMBER OF SPECIALTIES ARMC IS HOME TO MANY CENTERS OF EXCELLENCE AND SPECIALIZED SERVICES, SEVERAL OF WHICH ARE EXCLUSIVE TO THE REGION - LEVEL II REGIONAL TRAUMA CENTER - NEONATAL INTENSIVE CARE UNIT (NICU) - ACCREDITED CHEST PAIN CENTER - ACCREDITED STROKE CENTER - HEART INSTITUTE - THE REGION'S ONLY FULL SERVICE CARDIAC SURGERY PROGRAM - THE JOINT INSTITUTE - THE SPINE INSTITUTE - STANLEY M. GROSSMAN PEDIATRIC CENTER - THE CANCER CARE INSTITUTE - KLIGERMAN DIGESTIVE DISEASE CENTER - CENTER FOR SURGICAL WEIGHT LOSS AND WELLNESS - ROGER B. HANSEN CENTER FOR CHILDBIRTH - WOMEN'S HEALTH AND WELLNESS - PSYCHIATRIC UNIT AND CRISIS INTERVENTION PROGRAM - SPECIAL CARE CENTER - JOSLIN DIABETES CENTER - WOUND CARE CENTERS ARMC IS PROUD OF ITS AFFILIATIONS WITH RENOWNED HEALTHCARE ORGANIZATIONS INCLUDING THOMAS JEFFERSON UNIVERSITY HOSPITAL AND JEFFERSON'S PEDIATRIC AFFILIATE, THE NEMOURS DUPONT HOSPITAL FOR CHILDREN IN WILMINGTON, DELAWARE, FOX CHASE CANCER CENTER AND NEW YORK UNIVERSITY MISSION, VISION AND VALUES ===== MISSION STATEMENT ===== TO CARE FOR THE SICK, INJURED AND POOR IN AN ENVIRONMENT WHERE PATIENTS, THEIR FAMILIES AND PHYSICIANS ARE EXTENDED A SUPERIOR LEVEL OF PERSONAL SERVICE, WHERE QUALITY IMPROVES IN MEASURABLE TERMS, IN AN ENVIRONMENT WHICH RESPECTS THE DIGNITY OF THE PATIENT, FAMILY AND ALL ON THE HEALTHCARE TEAM VISION ===== ATLANTICARE REGIONAL MEDICAL CENTER WILL BE THE PREMIER HEALTHCARE PROVIDER IN NEW JERSEY WE WILL ACHIEVE AND SUSTAIN EXCELLENCE IN QUALITY OF CARE AND PERSONAL SERVICE THROUGH TOTAL CONFORMANCE TO CUSTOMER'S EXPECTATIONS WHILE PROVIDING AN OUTSTANDING WORK ENVIRONMENT CHARITABLE PURPOSE ===== ARMC PROVIDES URGENT AND EMERGENT HEALTH CARE SERVICES TO ALL INDIVIDUALS AND ALSO PROVIDES ELECTIVE PROCEDURES TO INDIVIDUALS WHO RESIDE IN OUR PRIMARY SERVICE AREA IN A NON-DISCRIMINATORY MANNER REGARDLESS OF MEDICAL CONDITION, RACE, COLOR, CREED, SEX, NATIONAL ORIGINS, HANDICAP, AGE, LIFESTYLE, FINANCIAL STATUS OR ABILITY TO PAY MOREOVER, ARMC PROVIDES HEALTH CARE SERVICES TO PATIENTS WHO MEET CERTAIN CRITERIA DEFINED BY THE NEW JERSEY DEPARTMENT OF HEALTH AND HUMAN SERVICES WITHOUT CHARGE OR AT AMOUNTS LESS THAN ESTABLISHED RATES THE COST OF PROVIDING THESE SERVICES AND SUPPLIES TO PATIENTS WHO MEET THE STATE-MANDATED CHARITY CARE ELIGIBILITY REQUIREMENTS APPROXIMATED \$49 MILLION AND \$47 MILLION FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010, RESPECTIVELY BECAUSE THE MEDICAL CENTER DOES NOT PURSUE COLLECTIONS OF AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE, THEY ARE NOT REPORTED AS REVENUE THE MEDICAL CENTER ALSO PROVIDES FREE CARE TO PATIENTS WHO DO NOT MEET THE STATE ELIGIBILITY REQUIREMENTS OR ARE NOT COMPLIANT IN PURSUING ELIGIBILITY STATUS SUCH AMOUNTS ARE INCLUDED IN THE CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS AS PART OF THE PROVISION FOR UNCOLLECTIBLES, NET OF ANY RECOVERIES REALIZED THROUGH COLLECTION EFFORTS</p>

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	<p>ARMC HAS ALSO INSTITUTED A SELF PAY DISCOUNT POLICY THAT LIMITS CHARGES FOR MEDICAL SERVICES TO AN AMOUNT NOT TO EXCEED 115% OF THE APPLICABLE MEDICARE REIMBURSEMENT RATE FOR ALL QUALIFIED UNINSURED PATIENTS WHO ARE NOT ELIGIBLE FOR EXISTING STATE, FEDERAL AND LOCAL PROGRAMS. ADDITIONALLY, THE COMPANY SPONSORS OTHER CHARITABLE PROGRAMS, WHICH PROVIDE SUBSTANTIAL BENEFIT TO THE BROADER COMMUNITY. SUCH PROGRAMS INCLUDE SERVICES TO THE NEEDY AND ELDERLY POPULATION THAT REQUIRE SPECIALS SUPPORT, VARIOUS CLINICAL OUTREACH PROGRAMS AS WELL AS HEALTH PROMOTION AND EDUCATION FOR THE GENERAL COMMUNITY WELFARE. ARMC'S COLLECTION POLICIES INCLUDE DISCOUNTS FOR THOSE PATIENTS WHO ARE UNINSURED BUT DO NOT QUALIFY FOR THE STATE CHARITY CARE PROGRAM. ARMC IS ONE OF TWO DESIGNATED SAFETY NET HOSPITALS IN SOUTHERN NEW JERSEY PROVIDING APPROXIMATELY 90% OF THE CHARITY CARE IN ATLANTIC COUNTY AND MORE CHARITY CARE THAN THE 7 CLOSEST HOSPITALS COMBINED. AWARDS AND RECOGNITIONS ===== - NATIONAL RECOGNITION FOR ORGAN DONATION THROUGH THE DEPARTMENT OF HEALTH & HUMAN SERVICES AT BOTH HOSPITAL CAMPUSES - MAGNET™ DESIGNATION FOR EXCELLENCE IN NURSING - 2005 AND 2004 (105TH HOSPITAL IN NATION AND 15TH IN NEW JERSEY TO ACHIEVE THIS STATUS) REDESIGNATED IN OCTOBER OF 2008 - J.D. POWERS AND ASSOCIATES DISTINGUISHED HOSPITAL DESIGNATION - 2004, 2005 AND 2006 - VALOR AWARDS - ATLANTIC CITY FIRE DEPARTMENT - 2004 (RECOGNITION OF THE HOSPITAL'S RESPONSE TO THE 2003 TROPICANA GARAGE COLLAPSE) ATLANTICARE BEHAVIORAL HEALTH (ABH) FEID 21-0721208 ABH IS SOUTHEASTERN NEW JERSEY'S LARGEST PROVIDER OF BEHAVIORAL HEALTH AND SUBSTANCE ABUSE/ADDICTION RECOVERY SERVICES. WITH 26 LOCATIONS THROUGHOUT THE REGION, ABH OFFERS A BROAD RANGE OF SERVICES TO HELP INDIVIDUALS AND THEIR FAMILIES WITH SERIOUS MENTAL ILLNESSES, ANXIETIES RELATED TO SCHOOL OR JOB STRESS, AND MARRIAGE COUNSELING SERVICES. ABH ALSO PROVIDES EMPLOYEE ASSISTANCE PROGRAMS FOR AREA EMPLOYERS, WHICH INCLUDE EMPLOYEE COUNSELING SERVICES, BEHAVIORAL HEALTH AND WELLNESS PROGRAMS AND CRITICAL INCIDENT DEBRIEFING SERVICES. ABH MANAGES A 30-BED PSYCHIATRIC INPATIENT PROGRAM LOCATED AT THE MAINLAND CAMPUS AND A PSYCHIATRIC CRISIS INTERVENTION PROGRAM AT THE CITY CAMPUS OF ARMC. THE INTERNAL REVENUE SERVICE HAS RECOGNIZED ABH AS A TAX-EXEMPT ORGANIZATION UNDER IRC CODE SECTION 501 (C)(3). THE MAJORITY OF ABH'S PATIENTS ARE UNDERINSURED (MEDICAID/MEDICARE) OR UNINSURED. BEHAVIORAL HEALTH PROVIDES SERVICES TO CLIENTS WITHOUT INSURANCE COVERAGE AND CHARGES RATES BASED ON A SLIDING SCALE FEE BASED ON INCOME AND FAMILY SIZE. THE COST OF PROVIDING THESE SERVICES AND SUPPLIES TO PATIENTS THAT MEET THE ESTABLISHED CRITERIA APPROXIMATED \$1,923,000 AND \$1,991,000 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010 RESPECTIVELY. ABH PROVIDES MANY OF THEIR SERVICES UNDER GRANTS FROM STATE AND FEDERAL AGENCIES. SUCH PROGRAMS INCLUDE: DEPARTMENT OF EDUCATION ----- - 21ST CENTURY COMMUNITY LEARNING CENTERS DEPARTMENT OF HUMAN SERVICES ----- - DIVISION OF MENTAL HEALTH SERVICES OUTPATIENT TREATMENT - DIVISION OF ADDICTION SERVICES, OUTPATIENT AND INTENSIVE OUTPATIENT TREATMENT - WELFARE TO WORK SERVICES DEPARTMENT OF CHILDREN AND FAMILIES ----- - SCHOOL BASED YOUTH SERVICES PROGRAM - OAKCREST TEEN CENTER - SCHOOL BASED YOUTH SERVICES PROGRAM - AC TEEN - SCHOOL BASED YOUTH SERVICES PROGRAM - BUENA TEEN AND CLEARLY MIDDLE SCHOOL - FAMILY FRIENDLY CENTER - HAMMONTON ELEMENTARY SCHOOL - JOB TRAINING PROGRAM - BUENA - FOSTER CARE RESOURCE HOMES - CHILDREN AND ADOLESCENT OUTPATIENT TREATMENT - FAMILY PERMANENCY AND MENTORING PROGRAMS - MOBILE OUTREACH DEPARTMENT OF HEALTH ----- - SUBSTANCE ABUSE TREATMENT SERVICES TO WOMEN - COUNTY OF ATLANTIC - SUBSTANCE ABUSE INTENSIVE OUTPATIENT TREATMENT FOR MEDICALLY INDIGENT ADULTS - ADOLESCENT OUTPATIENT SERVICES - FAMILY OUTREACH PROGRAM - ATLANTIC CITY MLK FAMILY CENTER - ATLANTIC CITY UPTOWN SCHOOL FAMILY CENTER - HAMMONTON FAMILY CENTER - NJ AFTER 3 HAMMONTON AFTER SCHOOL PROGRAM ATLANTICARE FOUNDATION FEID 22-2148992 THE FOUNDATION EXISTS TO IMPROVE THE HEALTH AND WELLBEING OF OUR COMMUNITY THROUGH A COMPREHENSIVE DEVELOPMENT PROGRAM TO SUPPORT SAFE, EQUITABLE, QUALITY HEALTHCARE, AND TO PROMOTE HEALTHY BEHAVIORS. THE INTERNAL REVENUE SERVICE HAS RECOGNIZED THE FOUNDATION AS BEING A TAX- EXEMPT ORGANIZATION UNDER IRC CODE SECTION 501(C)(3). THE FOUNDATION IS COMMITTED TO SPREADING THE EPIDEMIC OF HEALTH THROUGHOUT OUR COMMUNITY BY PROVIDING FINANCIAL RESOURCES TO HELP FUND HEALTH STATUS IMPROVEMENT, WHICH INCLUDES SUPPORTING THE PROGRAMS AND CAPITAL EXPANSION PROJECTS AT ATLANTICARE REGIONAL MEDICAL CENTER AND ITS AFFILIATES. ATLANTICARE HEALTH SERVICES FEID 22-3265214 SERVICES IS PRIMARILY AN AMBULATORY CARE NETWORK THAT REACHES BEYOND THE HOSPITAL TO ADDRESS THE HEALTH AND WELLNESS NEEDS FOR THE REGION'S RESIDENTS THROUGHOUT ALL STAGES OF LIFE. THE INTERNAL REVENUE</p>

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	<p>SERVICE HAS RECOGNIZED SERVICES AS BEING A TAX-EXEMPT ORGANIZATION UNDER THE IRC CODE SECTION 501(C)(3) SERVICES PROGRAMS INCLUDE - ATLANTICARE SURGERY CENTER LLC, A FULL SERVICE, FREESTANDING AMBULATORY SURGERY CENTERS - ATLANTICARE KIDS CHILDCARE AND EARLY LEARNING CENTERS, INCLUDING IN-SCHOOL AND AFTER-SCHOOL PROGRAMS PROVIDING INFANT CARE THROUGH PRE-KINDERGARTEN AND PRE-SCHOOL PROGRAMS APPROXIMATELY 400 CHILDREN ARE ENROLLED - ATLANTICARE LIFE CENTER, OFFERING A FULL SPECTRUM OF HEALTH AND WELLNESS, PHYSICAL AND REHABILITATIVE CONDITIONING - ATLANTICARE CLINICAL LABS, PROVIDING LAB SERVICES AT TEN CONVENIENT LOCATIONS - ATLANTICARE HOME CARE NURSES AND OTHER HEALTHCARE PROFESSIONALS MAKE HOME VISITS TO ASSIST PATIENTS WITH THEIR MEDICAL NEEDS - ATLANTICARE HOSPICE WORKS WITH PATIENTS AND THEIR FAMILIES TO ENHANCE THE END STAGES OF LIFE IN THE COMFORTABLE SURROUNDINGS OF THE PATIENT'S HOME - ATLANTICARE HEALTH PARK, A REGIONAL HEALTHCARE AMBULATORY CARE CAMPUS OFFERING A VARIETY OF SERVICES - ATLANTICARE OCCUPATIONAL MEDICINE PROVIDES OCCUPATIONAL MEDICINE FOR BUSINESSES AND MUNICIPALITIES, INCLUDING THE TREATMENT OF WORK RELATED INJURIES - MISSION HEALTHCARE, A PROGRAM OFFERING PRIMARY CARE TO THE HOMELESS POPULATION OPERATING AS A FEDERALLY QUALIFIED HEALTH CENTER - ATLANTICARE LIFELINE PROVIDES EMERGENCY MEDICAL ALERT CAPABILITY TO INDIVIDUALS WHO REQUIRE CONVENIENT NOTIFICATION CAPABILITIES - WEISMAN PEDIATRICS JOINT VENTURE PARTNERSHIP PROVIDING MEDICALLY SUPERVISED CHILD CARE TO CHILDREN WITH HEALTH CHALLENGES ATLANTICARE PHYSICIAN GROUP FEID 22-3265314 THE PHYSICIAN GROUP PROVIDES SERVICES OUTSIDE OF THE HOSPITAL ATMOSPHERE TO SPECIALIZE IN PREVENTIVE CARE AND IN DIAGNOSING AND TREATING VARIOUS ILLNESSES THE INTERNAL REVENUE SERVICE HAS RECOGNIZED SERVICES AS BEING A TAX-EXEMPT ORGANIZATION UNDER THE IRC CODE SECTION 501(C)(3) - ATLANTICARE PRIMARY/URGENT CARE CENTERS (LOCATED IN ATLANTIC, CAPE MAY AND OCEAN COUNTIES) OFFERING PRIMARY CARE AND URGENT CARE AS AN ALTERNATIVE TO MORE EXPENSIVE EMERGENCY ROOM TREATMENT - PAVILION OB/GYN A FULL SERVICE OBSTETRICS AND GYNECOLOGY PRACTICE - ATLANTICARE HEALTHRITE IN-STORE HEALTH CENTER THAT OFFERS QUICK CONVENIENT HEALTHCARE SERVICES TO WALK IN PATIENTS INFOSHARE FEID 22-3337816 INFOSHARE IS THE INFORMATION TECHNOLOGY FIRM OF ATLANTICARE AND, AS SUCH, SUPPORTS ALL OTHER ATLANTICARE AFFILIATES TO ACHIEVE MAXIMUM RESULTS THROUGH THE USE OF INFORMATION TECHNOLOGY THE INTERNAL REVENUE SERVICE HAS RECOGNIZED INFOSHARE AS A TAX-EXEMPT ORGANIZATION UNDER IRC CODE SECTION 501(C)(3) INFOSHARE'S INNOVATIVE NETWORKING TECHNOLOGY ENHANCES THE SPEED AND EFFICIENCY OF PATIENT'S DIAGNOSIS AND TREATMENT WHILE MAINTAINING PATIENT CONFIDENTIALITY AND SAFETY INFOSHARE HAS BEEN RECOGNIZED FOR ITS INNOVATION IN HEALTHCARE THROUGH THE FOLLOWING AWARDS - TOP 100 INTEGRATED HEALTHCARE SYSTEMS BY HOSPITALS AND HEALTH NETWORK MAGAZINE - TOP (7) NETWORKED HEALTHCARE SYSTEMS IN THE UNITED STATES FOR INFORMATION TECHNOLOGY BY HEALTHCARE INFORMATICS MAGAZINE WORKING WITH COMMUNITY LEADERS AND IN PARTNERSHIP WITH ATLANTICARE HEALTH PLANS, INFO SHARE HAS BUILT A "CONNECTED COMMUNITY HEALTH EXCHANGE" THAT SHARES HEALTH INFORMATION SEAMLESSLY AMONG ALL PARTICIPATING HEALTHCARE AND HEALTH MANAGEMENT STAKEHOLDERS THE GOAL OF THIS PROJECT IS TO IMPROVE THE HEALTHCARE STATUS OF THE COMMUNITY ATLANTICARE HEALTH ENGAGEMENT, INC FEID 61-1608389 AT THE END OF 2009 ATLANTICARE HEALTH ENGAGEMENT, INC WAS ESTABLISHED TO SUPPORT THE DEVELOPMENT OF HEALTH MANAGEMENT CAPABILITIES AND STRUCTURES, AND HEALTH STATUS IMPROVEMENT INITIATIVES FOR THE BENEFIT OF THE BROADER COMMUNITY THE ATLANTICARE REGIONAL MEDICAL CENTER CONTRIBUTED FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010 \$ 3,000,000 AND \$4,000,000 RESPECTIVELY TO SUPPORT THE MISSION AND VISION OF HEALTH ENGAGEMENT</p>

Identifier	Return Reference	Explanation
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	CORE FORM, PART III, LINE 4D	EXPENSES INCURRED IN PROVIDING VARIOUS OTHER MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY PLEASE REFER TO THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT INCLUDED IN SCHEDULE O

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART I, SUMMARY	THE TOTAL VOTING AND INDEPENDENT VOTING MEMBERS DISCLOSED ON PAGE 1 OF THIS FORM 990 IS FOR ATLANTICARE REGIONAL MEDICAL CENTER, THE LARGEST SUBORDINATE ORGANIZATION INCLUDED IN THE GROUP EXEMPTION RULING AND IN THIS CONSOLIDATED GROUP FORM 990 OUTLINED BELOW IS THE VOTING AND INDEPENDENT VOTING DISCLOSURE INFORMATION FOR ALL OTHER ORGANIZATIONS INCLUDED IN THE GROUP EXEMPTION - ATLANTICARE BEHAVIORAL HEALTH, INC , 12 VOTING, 11 INDEPENDENT, - ATLANTICARE FOUNDATION, 22 VOTING, 15 INDEPENDENT, - ATLANTICARE HEALTH ENGAGEMENT, 3 VOTING, 0 INDEPENDENT, - ATLANTICARE HEALTH SERVICES, INC , 12 VOTING, 10 INDEPENDENT, AND - INFOSHARE, INC , 3 VOTING, 0 INDEPENDENT

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART III, QUESTION 3	INFOSHARE, INC , A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION, TRANSFERRED ITS ACTIVITY AND OPERATIONS TO ATLANTICARE HEALTH SYSTEM, INC, A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION DURING 2011

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION A, QUESTIONS 6 & 7	ATLANTICARE HEALTH SYSTEM, INC ("AHS") IS THE SOLE MEMBER OF ALL ORGANIZATIONS INCLUDED IN THIS CONSOLIDATED GROUP FORM 990 OTHER THAN ATLANTICARE BEHAVIORAL HEALTH, INC ("ABH") AHS HAS THE RIGHT TO ELECT THE MEMBERS OF EACH SUBORDINATE ORGANIZATION'S BOARD OF TRUSTEES AND HAS CERTAIN RESERVED POWERS AS DEFINED IN EACH SUBORDINATE ORGANIZATION'S BYLAWS ATLANTICARE REGIONAL MEDICAL CENTER HAS THE RIGHT TO ELECT THE MEMBERS OF ABH'S BOARD OF TRUSTEES AND HAS CERTAIN RESERVED POWERS AS DEFINED IN ABH'S BYLAWS

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION B, QUESTION 11b	<p>THE ORGANIZATION IS AN AFFILIATE IN THE ATLANTICARE HEALTH SYSTEM, INC. AND AFFILIATES, A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM. ATLANTICARE HEALTH SYSTEM, INC. ("SYSTEM") IS THE TAX-EXEMPT PARENT ENTITY OF THE SYSTEM. THE ORGANIZATION'S FEDERAL FORM 990 WAS PROVIDED TO THE SYSTEM'S GOVERNING BODY, ITS FULL BOARD OF TRUSTEES, FOR REVIEW PRIOR TO FILING WITH THE INTERNAL REVENUE SERVICE. AS PART OF THE TAX RETURN PREPARATION PROCESS, THE ORGANIZATION HIRED A PROFESSIONAL CPA FIRM WITH EXPERIENCE AND EXPERTISE IN BOTH HEALTHCARE AND NOT-FOR-PROFIT TAX RETURN PREPARATION TO PREPARE THE FEDERAL FORM 990. THE CPA FIRM'S TAX PROFESSIONALS WORKED CLOSELY WITH THE ORGANIZATION'S FINANCE PERSONNEL AND VARIOUS OTHER INDIVIDUALS OF THE ORGANIZATION AND THE SYSTEM TO OBTAIN THE INFORMATION NEEDED IN ORDER TO PREPARE A COMPLETE AND ACCURATE TAX RETURN. THE CPA FIRM PREPARED A DRAFT FEDERAL FORM 990 AND FURNISHED IT TO THE ORGANIZATION'S FINANCE PERSONNEL AND OTHER INDIVIDUALS FOR THEIR REVIEW. THE ORGANIZATION'S FINANCE PERSONNEL AND OTHER INDIVIDUALS REVIEWED THE DRAFT FEDERAL FORM 990 AND DISCUSSED QUESTIONS AND COMMENTS WITH THE CPA FIRM. REVISIONS WERE MADE TO THE DRAFT FEDERAL FORM 990 WHERE NECESSARY AND A FINAL DRAFT WAS FURNISHED BY THE CPA FIRM TO THE ORGANIZATION'S FINANCE PERSONNEL AND VARIOUS OTHER SYSTEM INDIVIDUALS FOR FINAL REVIEW AND APPROVAL PRIOR TO PROVIDING THE FEDERAL FORM 990 TO EACH MEMBER OF THE SYSTEM'S GOVERNING BODY AND FILING WITH THE IRS.</p>

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION B, QUESTION 12	THE ORGANIZATION IS AN AFFILIATE IN THE ATLANTICARE HEALTH SYSTEM, INC AND AFFILIATES ("SYSTEM") ATLANTICARE HEALTH SYSTEM, INC , THE TAX-EXEMPT PARENT ORGANIZATION, HAS ADOPTED A SYSTEM WIDE CONFLICT OF INTEREST POLICY WHICH IS APPLICABLE TO ALL OF ITS SUBSIDIARY ORGANIZATIONS THE ORGANIZATIONS REGULARLY MONITOR AND ENFORCE COMPLIANCE WITH ITS CONFLICT OF INTEREST POLICY ANNUALLY ALL MEMBERS OF THE BOARD OF TRUSTEES, OFFICERS AND SENIOR MANAGEMENT PERSONNEL ARE REQUIRED TO REVIEW THE EXISTING CONFLICT OF INTEREST POLICY AND COMPLETE A QUESTIONNAIRE THE COMPLETED QUESTIONNAIRES ARE RETURNED TO THE ORGANIZATION AND THE SYSTEM'S GENERAL COUNSEL FOR REVIEW THEREAFTER THE GENERAL COUNSEL PREPARES A SUMMARY OF THE COMPLETED QUESTIONNAIRES WHICH CONTAINS INFORMATION DISCLOSED ON AN INDIVIDUAL BY INDIVIDUAL BASIS THEREAFTER, THE SYSTEM'S GENERAL COUNSEL PRESENTS THIS SUMMARY TO THE SYSTEM'S GOVERNANCE COMMITTEE FOR THEIR REVIEW AND DISCUSSION

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION B, QUESTION 15	<p>THE EXECUTIVE COMPENSATION COMMITTEE ("COMMITTEE") OF THE BOARD OF TRUSTEES ("BOARD") OF ATLANTICARE HEALTH SYSTEM, INC ("SYSTEM") REVIEWS AND APPROVES THE COMPENSATION PROVIDED TO THE EXECUTIVE STAFF OF THE SYSTEM. THE COMPENSATION DECISIONS OF THE COMMITTEE ARE SET WITHIN THE FRAMEWORK OF A FORMAL COMPENSATION PHILOSOPHY THAT IS APPROVED BY THE BOARD. THE COMPENSATION PHILOSOPHY APPROVES THE USE OF A NATIONAL PEER GROUP OF NOT-FOR-PROFIT HEALTHCARE ORGANIZATIONS THAT ARE SIMILAR TO THE SYSTEM IN SIZE AND ORGANIZATIONAL CHARACTERISTICS. THE KEY ELEMENTS OF THE COMPENSATION PHILOSOPHY ARE: TOTAL COMPENSATION POSITIONED AROUND THE 75TH PERCENTILE, COMPOSED OF THE FOLLOWING ELEMENTS OF PAY - BASE SALARIES POSITIONED BETWEEN THE MEDIAN AND THE 75TH PERCENTILE - INCENTIVE OPPORTUNITIES COMPARABLE TO THOSE OF THE PEER GROUP AND DESIGNED TO POSITION TOTAL CASH COMPENSATION AT THE 75TH PERCENTILE FOR EXPECTED PERFORMANCE (INCLUDES BOTH ANNUAL AND LONG-TERM INCENTIVES) - EXECUTIVE BENEFITS POSITIONED AT THE 75TH PERCENTILE - CONSERVATIVE PERQUISITES AND SEVERANCE. THE COMMITTEE APPROVES THE PAY OF ALL EXECUTIVES. IT SETS THE COMPENSATION FOR THE PRESIDENT AND CHIEF EXECUTIVE OFFICER ("PRESIDENT"). THE PRESIDENT RECOMMENDS SALARY ADJUSTMENTS AND INCENTIVE AWARD PAYMENTS TO THE COMMITTEE. THE COMMITTEE CAN APPROVE, MODIFY OR REJECT THE PRESIDENT'S RECOMMENDATIONS AS APPROPRIATE. EACH YEAR, PRIOR TO MAKING CHANGES TO THE COMPENSATION OF ANY EXECUTIVE, THE COMMITTEE ENGAGES AN INDEPENDENT, OUTSIDE CONSULTANT TO REVIEW EACH ELEMENT OF EXECUTIVE COMPENSATION, INCLUDING SALARIES, INCENTIVES, BENEFITS, PERQUISITES, AND TOTAL COMPENSATION. THE INTENT OF THE REVIEW IS TO PROVIDE THE COMMITTEE WITH INFORMATION IT NEEDS TO ENSURE THAT COMPENSATION PROVIDED TO THE SYSTEM'S EXECUTIVES IS REASONABLE, APPROPRIATE, AND CONSISTENT WITH THE BOARD-APPROVED COMPENSATION PHILOSOPHY. THE CONSULTANT COMPILES APPROPRIATE COMPARABILITY DATA ON TOTAL COMPENSATION FROM A PEER GROUP OR ORGANIZATIONS COMPARABLE TO THE SYSTEM. IN NOVEMBER OF 2011, THE CONSULTANT, INTEGRATED HEALTHCARE STRATEGIES ("IHSTRATEGIES"), PRESENTED ITS ANALYSES AND FINDINGS TO THE COMMITTEE. THE COMMITTEE HAD DIRECT ACCESS TO THE CONSULTANT TO ASK QUESTIONS ABOUT THE DATA AND ANALYSES, BOTH WITH AND WITHOUT THE PRESENCE OF MANAGEMENT. THE COMMITTEE APPROVED EXECUTIVE SALARIES AND INCENTIVE AWARD PAYOUTS AT A SUBSEQUENT MEETING IN FEBRUARY OF 2012. THE COMMITTEE'S PROCESS FOR REVIEWING EXECUTIVE COMPENSATION ESTABLISHES A "REBUTTABLE PRESUMPTION OF REASONABLENESS," AS DESCRIBED IN IRC SECTION 4958 - COMPENSATION FOR ALL EXECUTIVES IS APPROVED IN ADVANCE BY A COMMITTEE MADE UP ENTIRELY OF INDEPENDENT DIRECTORS WITH NO CONFLICT OF INTEREST WITH REGARD TO THE COMPENSATION DECISIONS - THE COMMITTEE OBTAINS AND RELIES ON APPROPRIATE COMPARABILITY DATA ON TOTAL COMPENSATION IN MAKING THESE DECISIONS ("APPROPRIATE" MEANS DATA ON PAY FOR LIKE JOBS IN LIKE ORGANIZATIONS AND LIKE CIRCUMSTANCES) - THE COMMITTEE DOCUMENTS ITS PROCESS AND THE TERMS OF ITS DECISIONS IN TIMELY MINUTES.</p>

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION C, QUESTION 19	THE ORGANIZATIONS ARE PART OF ATLANTICARE HEALTH SYSTEM, INC AND AFFILIATES, A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM CERTAIN ORGANIZATIONS INCLUDED IN THIS CONSOLIDATED GROUP FROM 990 HAVE ISSUED TAX-EXEMPT BONDS TO FINANCE VARIOUS CAPITAL IMPROVEMENT PROJECTS, RENOVATIONS AND EQUIPMENT IN CONJUNCTION WITH THE ISSUANCE OF THESE TAX-EXEMPT BONDS, THE ISSUING ORGANIZATION'S FINANCIAL STATEMENTS WERE INCLUDED WITH THE TAX-EXEMPT BOND PROSPECTUS WHICH WAS MADE AVAILABLE TO THE GENERAL PUBLIC FOR REVIEW IN ADDITION, EACH ORGANIZATION'S FILED CERTIFICATE OF INCORPORATION AND ANY AMENDMENTS CAN BE OBTAINED AND REVIEWED THROUGH THE STATE OF NEW JERSEY DEPARTMENT OF THE TREASURY

Identifier	Return Reference	Explanation
RELATED HOURS DISCLOSURE	CORE FORM, PART VII, SECTION A, COLUMN B	THE ORGANIZATIONS INCLUDED IN THIS GROUP FORM 990 ARE AFFILIATES IN ATLANTICARE HEALTH SYSTEM, INC , A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM ("SYSTEM") THE SYSTEM INCLUDES BOTH FOR-PROFIT AND NOT FOR-PROFIT ORGANIZATIONS CERTAIN BOARD OF TRUSTEE MEMBERS, OFFICERS AND/OR DIRECTORS LISTED ON CORE FORM, PART VII AND SCHEDULE J OF THIS FORM 990 MAY HOLD SIMILAR POSITIONS WITH THESE ORGANIZATIONS AND OTHER AFFILIATES WITHIN THE SYSTEM THE HOURS SHOWN ON THIS FORM 990 FOR BOARD MEMBERS WHO RECEIVE NO COMPENSATION FOR SERVICES RENDERED IN A NON-BOARD CAPACITY , REPRESENTS THE ESTIMATED HOURS DEVOTED PER WEEK FOR THESE ORGANIZATIONS TO THE EXTENT THESE INDIVIDUALS SERVE AS A MEMBER OF THE BOARD OF TRUSTEES OF OTHER RELATED ORGANIZATIONS IN THE SYSTEM, THEIR RESPECTIVE HOURS PER WEEK PER ORGANIZATION ARE APPROXIMATELY ONE HOUR THE HOURS REFLECTED ON PART VII OF THIS FORM 990, FOR BOARD MEMBERS WHO RECEIVE COMPENSATION FOR SERVICES RENDERED IN A NON-BOARD CAPACITY , PAID OFFICERS AND KEY EMPLOYEES, REFLECT TOTAL HOURS WORKED PER WEEK ON BEHALF OF ATLANTICARE HEALTH SYSTEM, INC , NOT SOLELY THIS ORGANIZATION

Identifier	Return Reference	Explanation
COMPENSATION INFORMATION DISCLOSURE	CORE FORM, PART VII AND SCHEDULE J	PART VII AND SCHEDULE J REFLECT CERTAIN BOARD MEMBERS AND OFFICERS RECEIVING COMPENSATION AND BENEFITS FROM THIS ORGANIZATION OR A RELATED ORGANIZATION PLEASE NOTE THIS REMUNERATION WAS FOR SERVICES RENDERED AS FULL-TIME EMPLOYEES OF THE ORGANIZATION OR A RELATED ORGANIZATION AND NOT FOR SERVICES RENDERED AS A VOTING MEMBER OR OFFICER OF THIS ORGANIZATION'S BOARD OF TRUSTEES

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS	CORE FORM, PART XI, QUESTION 5	OTHER CHANGES IN NET ASSETS OR FUND BALANCE INCLUDE - NET CHANGE IN UNREALIZED GAINS AND LOSSES - (\$16,609,558), - NET ASSETS RELEASED FROM RESTRICTIONS AND GRANTS RECEIVED FOR THE PURCHASE OF PROPERTY , PLANT AND EQUIPMENT - \$472,000, - CHANGE IN BENEFICIAL INTEREST IN ATLANTICARE FOUNDATION- \$258,000, - TRANSFER FROM ATLANTICARE REGIONAL MEDICAL CENTER TO ATLANTICARE HEALTH SERVICES, INC - \$3,353,991, - TRANSFER FROM ATLANTICARE REGIONAL MEDICAL CENTER TO ATLANTICARE HEALTH FOUNDATION, INC - (\$250,000) -TRANSFER FROM ATLANTICARE REGIONAL MEDICAL CENTER TO ATLANTICARE HEALTH SERVICES, INC - (\$3,447,000) -TRANSFER FROM INFOSHARE, INC TO ATLANTICARE HEALTH SYSTEM, INC - (\$650,667), - CHANGE IN PENSION AND POSTRETIREMENT LIABILITIES - (\$57,086,000), - NET ASSETS RELEASED FROM TEMPORARY RESTRICTION - (\$3,848,000), AND - NET CHANGE IN UNREALIZED GAINS AND LOSSES, TEMPORARILY RESTRICTED - \$8,000

Identifier	Return Reference	Explanation
AUDITED FINANCIAL STATEMENTS	CORE FORM, PART XI, QUESTION 2	<p>THE ORGANIZATION IS AN AFFILIATE WITHIN THE ATLANTICARE HEALTH SYSTEM, INC ("SYSTEM") AND AFFILIATES, A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM. THE SYSTEM'S PARENT ENTITY IS ATLANTICARE HEALTH SYSTEM, INC. AN INDEPENDENT CPA FIRM AUDITED THE CONSOLIDATED FINANCIAL STATEMENTS OF ATLANTICARE HEALTH SYSTEM, INC. AND ALL ENTITIES WITHIN THE SYSTEM FOR THE YEARS ENDED DECEMBER 31, 2011 AND DECEMBER 31, 2010, RESPECTIVELY. THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS CONTAIN CONSOLIDATING SCHEDULES ON AN ENTITY BY ENTITY BASIS. THE INDEPENDENT CPA FIRM ISSUED AN UNQUALIFIED OPINION WITH RESPECT TO THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS. IN ADDITION, AN INDEPENDENT CPA FIRM AUDITED THE CONSOLIDATED FINANCIAL STATEMENTS OF ATLANTICARE REGIONAL MEDICAL CENTER AND ITS CONTROLLED ENTITY ATLANTICARE BEHAVIORAL HEALTH, INC. FOR THE YEARS ENDED DECEMBER 31, 2011 AND DECEMBER 31, 2010, RESPECTIVELY. THE INDEPENDENT CPA FIRM ISSUED AN UNQUALIFIED OPINION WITH RESPECT TO THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS. IN ADDITION, AN INDEPENDENT CPA FIRM AUDITED THE FINANCIAL STATEMENTS OF ATLANTICARE BEHAVIORAL HEALTH, INC. FOR THE YEARS ENDED DECEMBER 31, 2011 AND DECEMBER 31, 2010, RESPECTIVELY. THE INDEPENDENT CPA FIRM ISSUED AN UNQUALIFIED OPINION WITH RESPECT TO THE AUDITED FINANCIAL STATEMENTS. IN ADDITION, AN INDEPENDENT CPA FIRM AUDITED THE FINANCIAL STATEMENTS OF ATLANTICARE FOUNDATION FOR THE YEARS ENDED DECEMBER 31, 2011 AND DECEMBER 31, 2010, RESPECTIVELY. THE INDEPENDENT CPA FIRM ISSUED AN UNQUALIFIED OPINION WITH RESPECT TO THE AUDITED FINANCIAL STATEMENTS. THE ATLANTICARE HEALTH SYSTEM, INC. AUDIT COMMITTEE HAS ASSUMED RESPONSIBILITY FOR THE OVERSIGHT OF THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS OF THIS ORGANIZATION, WHICH INCLUDES THIS ORGANIZATION, AND THE SELECTION OF AN INDEPENDENT AUDITOR.</p>

Identifier	Return Reference	Explanation
SCHEDULE OF CONTRIBUTORS	SCHEDULE B	THE GIFTS, GRANTS AND CONTRIBUTIONS REFLECTED ON SCHEDULE B ARE AMOUNTS RECEIVED BY ALL ENTITIES INCLUDED IN THIS CONSOLIDATED GROUP FORM 990. GIFTS, GRANTS AND CONTRIBUTIONS RECEIVED BY ATLANTICARE REGIONAL MEDICAL CENTER ARE REFLECTED IN NUMBERS 15 THROUGH 17 AND 60 THROUGH 61. GIFTS, GRANTS AND CONTRIBUTIONS RECEIVED BY ATLANTICARE BEHAVIORAL HEALTH, INC. ARE REFLECTED IN NUMBERS 1 THROUGH 14 AND 58. GIFTS, GRANTS AND CONTRIBUTIONS RECEIVED BY ATLANTICARE FOUNDATION ARE REFLECTED IN NUMBERS 18 THROUGH 56 AND 59. GIFTS, GRANTS AND CONTRIBUTIONS RECEIVED BY ATLANTICARE HEALTH ENGAGEMENT, INC. IS REFLECTED IN NUMBER 57. GIFTS, GRANTS AND CONTRIBUTIONS RECEIVED BY ATLANTICARE HEALTH SERVICES, INC. IS REFLECTED IN NUMBER 60.

Identifier	Return Reference	Explanation
BOARD OF TRUSTEES	CORE FORM, PART VII	<p>CORE FORM, PART VII INCLUDES, AS OF DECEMBER 31, 2011, THE MEMBERS OF THE BOARD OF TRUSTEE S, OFFICERS, AND KEY EMPLOYEES OF EACH OF THE ORGANIZATIONS INCLUDED IN THIS CONSOLIDATED GROUP FORM 990 IN ADDITION, CORE FORM, PART VII INCLUDES THE REMAINING TOP FIVE HIGHEST PAID EMPLOYEES AMONGST ALL ENTITIES COMBINED AFTER OFFICERS AND KEY EMPLOYEES OF ALL ORGANI ZATIONS INCLUDED IN THE ATLANTICARE HEALTH SY STEM, INC AND AFFILIATES GROUP EXEMPTION RUL ING AND THIS CONSOLIDATED GROUP FORM 990 OUTLINED BELOW IS A SUMMARY BY ORGANIZATION ATL ANTICARE REGIONAL MEDICAL CENTER INCLUDES MATHEW D FINKELSON, D M D THROUGH ERIC M WOOD , ESQ ATLANTICARE BEHAVIORAL HEALTH, INC INCLUDES ROSALIND KINCAID THROUGH ELLEN LOUGHNE Y, ESQ PLEASE NOTE THAT NOEL FORRESTEL (CHAIRMAN OF ATLANTICARE BEHAVIORAL HEALTH, INC) AND LORI S HERNDON ARE ALSO MEMBERS OF THIS ORGANIZATION'S BOARD OF TRUSTEES BUT ARE ONLY DISCLOSED ONCE ON CORE FORM, PART VII OF THIS CONSOLIDATED GROUP FORM 990 ATLANTICARE FO UNDAATION INCLUDES DEE W KASSIS, RN THROUGH IRA M STEIN, M D PLEASE NOTE THAT NOEL FORRE STEL AND DAVID P TILTON ARE ALSO MEMBERS OF THIS ORGANIZATION'S BOARD OF TRUSTEES BUT ARE ONLY DISCLOSED ONCE ON CORE FORM, PART VII OF THIS CONSOLIDATED GROUP FORM 990 ATLANTICA RE HEALTH ENGAGEMENT, INC INCLUDES JAMES P NOLAN, JR , CPA THROUGH KATHERINE A SCHNEIDE R, M D PLEASE NOTE THAT DAVID P TILTON IS ALSO A MEMBER OF THIS ORGANIZATION'S BOARD OF TRUSTEES BUT IS ONLY DISCLOSED ONCE ON CORE FORM, PART VII OF THIS CONSOLIDATED GROUP FORM 990 ATLANTICARE HEALTH SERVICES, INC INCLUDES MICHAEL J WALSH THROUGH MARGARET SYKES PLEASE NOTE THAT DAVID P TILTON IS ALSO A MEMBER OF THIS ORGANIZATION'S BOARD OF TRUSTEES BUT IS ONLY DISCLOSED ONCE ON CORE FORM, PART VII OF THIS CONSOLIDATED GROUP FORM 990 IN FOSHARE, INC INCLUDES DOMINIC S MOFFA PLEASE NOTE THAT JAMES P NOLAN, JR , CPA AND DAV ID P TILON ARE ALSO MEMBERS OF THIS ORGANIZATION'S BOARD OF TRUSTEES BUT ARE ONLY DISCLOS ED ONCE ON CORE FORM, PART VII OF THIS CONSOLIDATED GROUP FORM 990 THE OFFICERS OF ALL OR GANIZATIONS INCLUDED IN THIS CONSOLIDATED GROUP FORM 990 WHICH FOLLOW THE LIST OF ATLANTIC ARE BOARD OF TRUSTEES ON CORE FORM, PART VII OF THIS CONSOLIDATED GROUP FORM 990 ARE OUTLI NED IN THE FOLLOWING ORDER ATLANTICARE REGIONAL MEDICAL CENTER INCLUDES WALTER A GREINER THROUGH MEL A MECK PLEASE NOTE THAT LORI S HERNDON (ATLANTICARE REGIONAL MEDICAL CENTE R PRESIDENT), DAVID P TILTON (ATLANTICARE HEALTH SYSTEM, INC PRESIDENT) AND JAMES P NOL AN, JR , CPA (ATLANTICARE REGIONAL MEDICAL CENTER SENIOR VP OF FINANCE) ARE ALSO OFFICERS OF ATLANTICARE REGIONAL MEDICAL CENTER BUT ARE ONLY DISCLOSED ONCE ON CORE FORM, PART VII OF THIS CONSOLIDATED GROUP FORM 990 ATLANTICARE BEHAVIORAL HEALTH, INC INCLUDES JULIA DR EW THROUGH JOHN R RIOS PLEASE NOTE THAT LORI S HERNDON (ATLANTICARE REGIONAL MEDICAL CE NTER PRESIDENT), WALTER A GREINER (ATLANTICARE REGIONAL MEDICAL CENTER VP OF FINANCE/CFO) , DOMINIC S MOFFA (ATLANTICARE REGIONAL MEDICAL CENTER SENIOR VP ADMINISTRATION) AND RICH ARD D LOVERING (ATLANTICARE REGIONAL MEDICAL CENTER VP HUMAN RESOURCES) ARE ALSO OFFICERS OF ATLANTICARE BEHAVIORAL HEALTH, INC BUT ARE ONLY DISCLOSED ONCE ON CORE FORM, PART VII OF THIS CONSOLIDATED GROUP FORM 990 ATLANTICARE FOUNDATION INCLUDES GLENN ANN STOLL THRO UGH DONNA MICHAEL ZIEREIS, ESQ PLEASE NOTE THAT DAVID P TILTON (ATLANTICARE HEALTH SY STE M, INC PRESIDENT) AND WALTER A GREINER (ATLANTICARE REGIONAL MEDICAL CENTER VP OF FINANC E/CFO) ARE ALSO OFFICERS OF ATLANTICARE FOUNDATION BUT ARE ONLY DISCLOSED ONCE ON CORE FOR M, PART VII OF THIS CONSOLIDATED GROUP FORM 990 ATLANTICARE HEALTH ENGAGEMENT, INC INCLU DES GWENDOLYN MEUSBURGER THROUGH GEORGE C STOKES PLEASE NOTE THAT DAVID P TILTON (ATLAN TICARE HEALTH SYSTEM, INC PRESIDENT) AND JAMES P NOLAN, JR , CPA (ATLANTICARE REGIONAL M EDICAL CENTER SENIOR VP OF FINANCE) ARE ALSO OFFICERS OF ATLANTICARE HEALTH ENGAGEMENT, IN C BUT ARE ONLY DISCLOSED ONCE ON CORE FORM, PART VII OF THIS CONSOLIDATED GROUP FORM 990 ATLANTICARE HEALTH SERVICES, INC INCLUDES DONALD J PARKER THROUGH CHRISTOPHER J STEEN PLEASE NOTE THAT JAMES P NOLAN, JR , CPA (ATLANTICARE REGIONAL MEDICAL CENTER SENIOR VP OF FINANCE), DOMINIC S MOFFA (ATLANTICARE REGIONAL MEDICAL CENTER SENIOR VP ADMINSTRATIO N), DAVID A DESIMONE, ESQ (ATLANTICARE REGIONAL MEDICAL CENTER VP GENERAL COUNSEL) AND R ICHARD D LOVERING (ATLANTICARE REGIONAL MEDICAL CENTER VP HUMAN RESOURCES) ARE ALSO OFFIC ERS OF ATLANTICARE HEALTH SERVICES, INC BUT ARE ONLY DISCLOSED ONCE ON CORE FORM, PART VII OF THIS CONSOLIDATED GROUP FORM 990 INFOSHARE, INC INCLUDES CHRISTOPHER A SCANZERA TH OUGH ALEX SHARNOFF, ESQ PLEASE NOTE THAT JAMES P NOLAN, JR , CPA (ATLANTICARE REGIONAL M EDICAL CENTER SENIOR VP OF FINANCE) AND DOMINIC S MOFFA (ATLANTICARE REGIONAL MEDICAL CEN TER SENIOR VP ADMINISTRATION) ARE ALSO OFFICERS OF INFOSHARE, INC BUT ARE ONLY DISCLOSED ONCE ON CORE FORM, PART VII OF THIS CONSOLIDATED 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Identifier	Return Reference	Explanation
BOARD OF TRUSTEES	CORE FORM, PART VII	ROUP FORM 990

Identifier	Return Reference	Explanation
TAX-EXEMPT BOND ISSUES	SCHEDULE K, PART I	<p>THE 06/01/2007 TAX-EXEMPT BOND ISSUANCE INCLUDED IN SCHEDULE K, PART I INCLUDES CUSIP NUMBERS IN ADDITION TO THE ONE DISCLOSED IN SCHEDULE K, PART I, COLUMN (C) THESE ARE THE FOLLOWING 64579FQR7, 64579FQS5, 64579FQT3, 64579FQU0, 64579FQV8, 64579FQW6, 64579FQX4, 64579FQY2, 64579FQZ9, 64579FRA3, 64579FRB1, 64579FRC9, 64579FRD7, 64579FRE5, 64579FRF2, 64579FRG0, 64579FRH8, 64579FRJ4, 64579FRK1, 64579FRL9, 64579FRM7, 64579FRN5 AND 64579FRP0 THE PROCEEDS OF THE 06/01/2005 LOAN WERE USED FOR THE CONSTRUCTION AND EQUIPPING OF A SEVEN STORY 240,570 SQUARE FOOT ADDITION AND 23,166 SQUARE FOOT RENOVATION AT THE CITY CAMPUS CONSTRUCTION INCLUDES EXPANSION AND RELOCATION OF THE ED, RADIOLOGY, 26 NEW ICU/CCU BEDS, NEW MEDICAL SURGICAL UNITS AND A ROOF TOP HELIPAD WITH TRAUMA STABILIZATION ROOMS THE PROCEEDS OF THE 06/01/2007 LOAN WERE USED TO FOR ARCHITECT AND CONSTRUCTION FEES ALONG WITH VARIOUS EQUIPMENT ACQUISITIONS RELATING TO THE CITY CAMPUS EQUIPMENT INCLUDES, IMAGING EQUIPMENT, MONITORING SYSTEMS, MEDICAL GASES/EQUIPMENT SERVICES BOOMS AND FURNITURE AND FURNISHINGS THE PROCEEDS OF THE 06/01/2006 LOAN WERE USED FOR THE CONSTRUCTION AND EQUIPPING OF A SEVEN STORY 240,570 SQUARE FOOT ADDITION AND 23,166 SQUARE FOOT RENOVATION AT THE CITY CAMPUS CONSTRUCTION INCLUDES EXPANSION AND RELOCATION OF THE ED, RADIOLOGY, 26 NEW ICU/CCU BEDS, NEW MEDICAL SURGICAL UNITS AND A ROOF TOP HELIPAD WITH TRAUMA STABILIZATION ROOMS ALSO INCLUDES A 190 FOOT LONG BRIDGE OVER MICHIGAN AVENUE AT THE SECOND LEVEL, CONNECTING TO THE BALLY'S PARKING GARAGE</p>

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
ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Employer identification number
90-0779828

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) ATLANTICARE HEALTH SYSTEM INC 2500 ENGLISH CREEK AVE EGG HARBOR TOWNSHIP, NJ 08234 22-3265213	SUPPORT ARMC	NJ	501(C)(3)	509(A)(3)	NA		No
(2) ATLANTICARE PHYSICIAN GROUP PA 2500 ENGLISH CREEK AVE BLDG C EGG HARBOR TOWNSHIP, NJ 08234 02-0701782	HEALTHCARE	NJ	501(C)(3)	509(A)(3)	AH SYSTEM		No

Part III

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(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	
(1) S JERSEY ONCOL PROP 2500 ENGLISH CREEK AVENUE EGG HARBOR TOWNSHIP, NJ 08234 94-3463625	HEALTHCARE SVCS	NJ	AH SVCS	RELATED	1,391,710	10,765,065		No	0		No	53 260 %
(2) ATL SURGERY CTR LLC 2500 ENGLISH CREEK AVE EGG HARBOR TOWNSHIP, NJ 08234 22-3491867	HEALTH SERVICES	NJ	N/A									
(3) COOP HLTH SVS OF SJ 1301 ATLANTIC AVENUE ATLANTIC CITY, NJ 08401 22-3619231	WHOLESALE PURCH	NJ	N/A									

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) ATLANTICARE HEALTH PLANS INC 1001 S GRAND STREET PO BOX 941 HAMMONTON, NJ 08037 22-3265212	INSURANCE SVCS	NJ		C CORP			
(2) BENEFIT SPECIALISTS INC PO BOX 613 HAMMONTON, NJ 08037 22-2796056	INSURANCE SVCS	NJ		C CORP			
(3) SOUTH JERSEY SPECIALTY HOSPITAL INC 2500 ENGLISH CREEK AVE BLDG 600 EGG HARBOR TOWNSHIP, NJ 08234 27-0220315	HEALTHCARE SVCS	NJ		C CORP			
(4) ENGLISH CREEK ASSURANCE LTD 44 CHURCH STREET HAMILTON, BERMUDA HM 12 BD 98-0656394	FINANCIAL VEHICLE	BD		FOREIGN CORP			
(5) ATLANTICARE HEALTH SOLUTIONS INC 2500 ENGLISH CREEK AVE BLDG 500 EGG HARBOR TOWNSHIP, NJ 08234 38-3856295	ACO/HEALTH	NJ		C CORP			

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

1

During the tax year, did the organization 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

b

Gift, grant, or capital contribution to related organization(s)

c

Gift, grant, or capital contribution from related organization(s)

d

Loans or loan guarantees to or for related organization(s)

e

Loans or loan guarantees by related organization(s)

f

Sale of assets to related organization(s)

g

Purchase of assets from related organization(s)

h

Exchange of assets with related organization(s)

i

Lease of facilities, equipment, or other assets to related organization(s)

j

Lease of facilities, equipment, or other assets from related organization(s)

k

Performance of services or membership or fundraising solicitations for related organization(s)

l

Performance of services or membership or fundraising solicitations by related organization(s)

m

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

n

Sharing of paid employees with related organization(s)

o

Reimbursement paid to related organization(s) for expenses

p

Reimbursement paid by related organization(s) for expenses

q

Other transfer of cash or property to related organization(s)

r

Other transfer of cash or property from related organization(s)

Yes

No

1a

No

1b

No

1c

No

1d

Yes

1e

Yes

1f

No

1g

No

1h

No

1i

No

1j

No

1k

Yes

1l

Yes

1m

No

1n

Yes

1o

No

1p

No

1q

Yes

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) ATLANTICARE BEHAVIORAL HEALTH INC	D	491,552	COST
(2) ATLANTICARE BEHAVIORAL HEALTH INC	L	1,678,007	COST
(3) ATLANTICARE BEHAVIORAL HEALTH INC	Q	100,000	COST
(4) ATLANTICARE BEHAVIORAL HEALTH INC	K	251,338	COST
(5)			
(6)			

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.

[illegible]

Part VII

Supplemental Information

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

Identifier	Return Reference	Explanation
ORGANIZATIONS INCLUDED IN GROUP EXEMPTION	SCHEDULE R, GROUP EXEMPTION	OUTLINED BELOW IS A LIST OF ORGANIZATIONS INCLUDED AS SUBORDINATES IN THE ATLANTICARE HEALTH SYSTEM, INC GROUP EXEMPTION RULING AND IN THIS CONSOLIDATED GROUP FORM 990 ATLANTICARE REGIONAL MEDICAL CENTER (FEID 21-0634549) ATLANTICARE BEHAVIORAL HEALTH, INC (FEID 21-0721208)ATLANTICARE FOUNDATION (FEID 22-2148992)ATLANTICARE HEALTH ENGAGEMENT, INC (FEID 61-1608389)ATLANTICARE HEALTH SERVICES, INC (FEID 22-3265214)INFOSHARE, INC (FEID 22-3337816)

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

AtlantiCare Regional Medical Center and Affiliate
Years Ended December 31, 2011 and 2010
With Report of Independent Auditors

Ernst & Young LLP



AtlantiCare Regional Medical Center and Affiliate

Consolidated Financial Statements and Supplementary Information

Years Ended December 31, 2011 and 2010

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Report of Independent Auditors

Board of Governors
AtlantiCare Regional Medical Center

We have audited the accompanying consolidated balance sheets of AtlantiCare Regional Medical Center and Affiliate (collectively, the Company) 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 Company'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 Company'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 Company'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 the Company at December 31, 2011 and 2010, and the consolidated results of its operations and changes in net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

As discussed in Note 2 to the accompanying consolidated financial statements, in 2011 the Company changed its method of reporting estimated insurance claims receivable and estimated insurance claims liabilities with the adoption of Accounting Standards Update No. 2010-24, *Health Care Entities (Topic 954): Presentation of Insurance Claims and Related Insurance Recoveries*.

Ernst & Young LLP

April 12, 2012

AtlantiCare Regional Medical Center and Affiliate

Consolidated Balance Sheets

	December 31	
	2011	2010
	<i>(In Thousands)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,925	\$ 4,174
Assets limited as to use – current portion	7,121	7,119
Patient accounts receivable, net	74,156	59,008
Prepaid expenses and other current assets	24,570	28,331
Total current assets	108,772	98,632
Assets limited as to use:		
Board-designated investments	345,492	349,941
Trustee-held assets under debt agreements	14,270	13,175
Permanently restricted funds	1,430	1,422
	361,192	364,538
Property, plant, and equipment, net	369,750	356,547
Other assets	14,654	—
Deferred financing costs, net	1,660	1,733
Total assets	\$ 856,028	\$ 821,450
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 76,953	\$ 78,622
Due to affiliates, net	2,389	2,687
Current portion of long-term debt and capital lease obligations	6,878	6,849
Accrued interest payable	4,237	4,372
Estimated third-party payor settlements	56,374	51,797
Total current liabilities	146,831	144,327
Other liabilities	57,564	39,606
Accrued retirement benefits	83,236	27,879
Long-term debt and capital lease obligations, net of current portion	197,459	204,559
Total liabilities	485,090	416,371
Net assets:		
Unrestricted	360,818	394,421
Temporarily restricted	8,690	9,236
Permanently restricted	1,430	1,422
Total net assets	370,938	405,079
Total liabilities and net assets	\$ 856,028	\$ 821,450

See accompanying notes

AtlantiCare Regional Medical Center and Affiliate

Consolidated Statements of Operations and Changes in Net Assets

	Year Ended December 31	
	2011	2010
	<i>(In Thousands)</i>	
Unrestricted net assets		
Revenues:		
Net patient service revenue	\$ 652,201	\$ 618,151
Grant revenues	14,391	13,698
Other operating revenues	7,003	6,277
Total revenues	673,595	638,126
Expenses:		
Salaries and wages	223,561	213,629
Physician salaries and fees	46,120	40,632
Employee benefits	70,783	71,236
Supplies and other	217,429	207,324
Interest	10,957	12,153
Depreciation and amortization	41,583	38,337
Provision for uncollectibles, net	36,220	28,163
Total expenses	646,653	611,474
Income from operations	26,942	26,652
Non-operating (losses) gains, net:		
Net change in unrealized gains and losses	(14,964)	28,873
Investment income, net	14,472	325
Investment (loss) return	(492)	29,198
Excess of revenues and gains over expenses and losses	26,450	55,850

Continued on next page

AtlantiCare Regional Medical Center and Affiliate

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

	Year Ended December 31	
	2011	2010
	<i>(In Thousands)</i>	
Unrestricted net assets (continued)		
Excess of revenues and gains over expenses and losses <i>(from previous page)</i>	\$ 26,450	\$ 55,850
Other changes in unrestricted net assets:		
Net assets released from restrictions and grants received for the purchase of property, plant, and equipment	472	478
Change in beneficial interest in AtlantiCare Foundation	258	77
Transfers to affiliates, net	(3,697)	(8,270)
Change in pension and postretirement liabilities	(57,086)	(5,144)
(Decrease) increase in unrestricted net assets	(33,603)	42,991
Temporarily restricted net assets		
Net assets released from restrictions	(1,647)	(2,557)
Contributions and grants	1,101	1,924
Decrease in temporarily restricted net assets	(546)	(633)
Permanently restricted net assets		
Net change in unrealized gains and losses	8	41
Increase in permanently restricted net assets	8	41
(Decrease) increase in net assets	(34,141)	42,399
Net assets at beginning of year	405,079	362,680
Net assets at end of year	\$ 370,938	\$ 405,079

See accompanying notes

AtlantiCare Regional Medical Center and Affiliate

Consolidated Statements of Cash Flows

	Year Ended December 31	
	2011	2010
	<i>(In Thousands)</i>	
Operating activities		
(Decrease) increase in net assets	\$ (34,141)	\$ 42,399
Adjustments to reconcile (decrease) increase in net assets to net cash provided by operating activities:		
Depreciation, amortization and other	41,359	38,237
Net change in unrealized gains and losses	14,956	(28,914)
Net realized gains and losses	(9,239)	6,203
Change in pension and postretirement liabilities	57,086	5,144
Transfers to affiliates, net	3,697	8,270
Restricted contributions and grants	(1,101)	(1,924)
Changes in operating assets and liabilities:		
Patient accounts receivable, net	(15,148)	(1,040)
Other assets and liabilities	2,346	16,343
Due to affiliates, net	(298)	(369)
Accounts payable and accrued expenses	(1,905)	7,777
Estimated third-party payor settlements	8,250	9,098
Accrued retirement benefits	(683)	(12,342)
Net cash provided by operating activities	65,179	88,882
Investing activities		
Purchase of assets limited as to use, less trustee held assets	(1,276)	(9,448)
(Purchase) sale of trustee-held assets	(1,097)	88
Acquisitions of property, plant, and equipment, net	(54,561)	(64,487)
Net cash used in investing activities	(56,934)	(73,847)
Financing activities		
Repayment of long-term debt and capital leases	(6,898)	(7,288)
Transfers to affiliates, net	(3,697)	(8,270)
Proceeds from restricted contributions	1,101	1,924
Net cash used in financing activities	(9,494)	(13,634)
(Decrease) increase in cash and cash equivalents	(1,249)	1,401
Cash and cash equivalents at beginning of year	4,174	2,773
Cash and cash equivalents at end of year	\$ 2,925	\$ 4,174
Supplemental disclosure of cash flow information		
Cash paid during the year for interest, net of capitalized interest	\$ 10,411	\$ 12,272

See accompanying notes

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements

December 31, 2011

(In Thousands)

1. Organization

The accompanying consolidated financial statements include the accounts of the AtlantiCare Regional Medical Center (Medical Center) and AtlantiCare Behavioral Health (Behavioral Health) (collectively, the Company). The Medical Center is the sole member of Behavioral Health, both of which are tax-exempt health care organizations.

The Medical Center is a 589 licensed bed regional health care provider with hospital divisions in Atlantic City (City Campus) and Pomona (Mainland Campus), New Jersey. Behavioral Health is a provider of outpatient mental health, substance abuse/addiction recovery services and family care services to residents of Southeastern New Jersey.

AtlantiCare Health System (System) is the sole member of the Medical Center, AtlantiCare Foundation (Foundation), AtlantiCare Health Plans (Health Plans), AtlantiCare Health Services (Health Services), InfoShare and AtlantiCare Health Engagement (Health Engagement). The System also has a wholly owned captive insurance company, English Creek Assurance, Ltd. (EC Assurance). All entities have obtained 501(c)(3) tax-exempt status with the Internal Revenue Service (IRS) with the exception of Health Plans, which is a federally taxable C-Corporation and EC Assurance, which is a captive insurance company in Bermuda.

2. Summary of Significant Accounting Policies

Principles of Consolidation

All significant intercompany balances and transactions of the Medical Center and Behavioral Health have been eliminated in the accompanying consolidated financial statements.

Use of Estimates

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

AtlantiCare Regional Medical Center and Affiliate
Notes to Consolidated Financial Statements (continued)

(In Thousands)

2. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents include various checking and savings accounts and all short-term funds, with initial maturities of three months or less, excluding those classified as assets limited as to use.

Patient Accounts Receivable and Allowance for Doubtful Accounts

Patient accounts receivable are presented net of an allowance for uncollectible accounts of \$15,692 and \$18,259 at December 31, 2011 and 2010, respectively. The Company provides an allowance for doubtful accounts for estimated losses resulting from the unwillingness of patients to make payments for services. The allowance is determined by analyzing historical data and trends. Accounts receivable are charged off against the allowance for doubtful accounts when management determines that recovery is unlikely and the Company ceases collection efforts. Losses have been consistent with management's expectations.

Supplies

Supplies, which are included in prepaid expenses and other current assets, are stated at the lower of cost, determined by the first-in, first-out method, or market.

Assets Limited as to Use

Assets limited as to use represent assets whose use is restricted for specific purposes through either internal designation, by donor restriction or under terms of bond indenture or trust agreements.

Internally designated investments are set aside by the Board of Governors (the Board) for future capital improvements, over which the Board retains control and may, at its discretion, subsequently use for other purposes.

Assets held by an external trustee under debt agreements are for the payment of current debt service and the maintenance of debt service reserve funds. Amounts required to meet current liabilities of the Medical Center are reported as current assets.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

2. Summary of Significant Accounting Policies (continued)

Permanently restricted funds are assets to be held by the Medical Center in perpetuity in accordance with the donor intentions.

Investment and Investment Income

All investments, excluding trustee held assets, are designated as trading securities.

All investment income, including unrealized and realized gains and losses, are reported within non-operating (losses) gains, net in the consolidated statements of operations and changes in net assets, except for investment income on trustee-held assets under debt agreements which is included in the consolidated statements of operations and changes in net assets as other operating revenue and unrealized gains and losses on permanently restricted funds. Realized gains and losses for all investments are determined by the average cost method.

Investments in marketable securities are carried at fair value, based on quoted market prices.

Alternative investments (nontraditional, not readily marketable asset classes), some of which are structured such that the Company holds limited partnership interests, are reported in the accompanying consolidated balance sheets based upon net asset values derived from the application of the equity method of accounting. Generally, net asset value reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses. Individual investment holdings in alternative investments of the Company may, in turn, include investments in both marketable and nonmarketable securities. Valuations of these alternative investments and, therefore, the Company's holdings may be determined by the investment manager or general partner. Values may be based on historical cost, appraisals, or other estimates that require varying degrees of judgment. The Company uses the latest available information to value these alternative investments. The alternative investments may indirectly expose the Company to securities lending, short sales of securities, and trading in futures and forwards contracts, options and other derivative products. Alternative investments often have liquidity restrictions under which the Company's capital may be divested only at specified times. The Company's liquidity restrictions require that no more than 50% of the alternative investments can be in illiquid strategies which are defined as lock-up periods of more than one year. Under the Company's investment guidelines, alternative investments have a target allocation of 20% of the portfolio.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

2. Summary of Significant Accounting Policies (continued)

For the System's defined benefit pension plan (see Note 10), the fair value of the plan's interests in alternative investments is determined by management for each investment based upon net asset values as a practical expedient for fair value. Financial information used to evaluate the alternative investments is provided by the investment manager or general partner and includes fair value valuations (quoted market prices and values determined through other means) of underlying securities and other financial instruments held by the investee, and estimates that require varying degrees of judgment.

The financial statements of the investees are audited annually by independent auditors, although the timing for reporting the results of such audits does not coincide with the Company's annual financial statement reporting. The Company also retains the services of an independent investment consultant to provide specialized investment oversight. As of December 31, 2011, the Medical Center had \$7,326 in future capital commitments related to alternative investments. Subsequently, the Medical Center funded \$460 of those commitments.

There is uncertainty in the accounting for alternative investments arising from factors such as lack of active markets (primary and secondary), lack of transparency into underlying holdings and time lags associated with reporting by the investee companies. As a result, there is at least a reasonable possibility that estimates will change by material amounts in the near term.

Property, Plant, and Equipment

Property, plant, and equipment, which include amounts recorded under capital leases, are recorded at cost. Donated assets are recorded at their market value at the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed utilizing the straight-line method. Maintenance and repairs, which do not improve the life of the respective assets, are expensed as incurred. Interest cost incurred during the period of construction of capital assets and related interest income on trustee-held project funds are capitalized as a component of the cost of acquiring those assets.

The Company continually evaluates whether events and circumstances have occurred that indicate that the remaining estimated useful life of long-lived assets may warrant revision or that the remaining balance may not be recoverable. When factors indicate that long-lived assets should be

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

2. Summary of Significant Accounting Policies (continued)

evaluated for possible impairment, the Company uses an estimate of the related undiscounted operating income over the remaining life of the long-lived asset in measuring whether the long-lived asset is recoverable. As of December 31, 2011 and 2010, management believes that no revision to the remaining useful lives or write-down of long-lived assets is required.

Donor-Restricted Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as other operating revenue for operating activities and other changes in unrestricted net assets for property, plant, and equipment purchases.

Deferred Financing Costs

Deferred financing costs include expenditures related to the issuance of bonds and are amortized using the effective interest method over the life of the related bond obligations.

Estimated Malpractice Costs

The provisions for estimated malpractice claims include the ultimate cost for both reported claims and claims incurred but not reported. At December 31, 2011, the Hospital has recognized long-term claim liabilities and insurance receivables of approximately \$14,654.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. Temporarily restricted net assets primarily consist of items restricted for purchase of property, plant, and equipment.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

2. Summary of Significant Accounting Policies (continued)

Permanently restricted net assets represent endowments that have been restricted by donors to be maintained in perpetuity and are held by the Medical Center. The Medical Center follows the requirements of the Uniform Prudent Management of Institutional Funds Act as they relate to its permanently restricted contributions and net assets, effective upon the State of New Jersey's enactment of the legislation in 2009. The Medical Center expends the income distributed from endowments on an annual basis in a manner consistent with donor stipulations. The income is included in non-operating gains and losses.

Net Patient Service Revenue

The Company has agreements with third-party payors that provide for payments at amounts different from established rates. Payment arrangements include prospectively determined rates per discharge, discounted charges, per diem and case rate payments, capitated payments, and reimbursed costs. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments due to ongoing and future audits and reviews. 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 and reviews.

Excess of Revenues and Gains over Expenses and Losses

The consolidated statements of operations and changes in net assets includes the excess of revenues and gains over expenses and losses as the performance indicator which includes all unrestricted revenues and expenses and gains and losses for the reporting period. Transactions deemed by management to be ongoing, major, or central to the provision of health care services are reported as revenues and expenses. Other transactions are reported as nonoperating (losses) gains, net and consist of investment (loss) return.

Changes in unrestricted net assets which are excluded from excess of revenues and gains over expenses and losses include the change in the beneficial interest in AtlantiCare Foundation, change in pension and postretirement liabilities, permanent transfers of assets to affiliates, and net assets released from restrictions and grants received for the purchase of property, plant, and equipment.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

2. Summary of Significant Accounting Policies (continued)

Income Taxes

The Medical Center and Behavioral Health are not-for-profit corporations that have been recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. The Company's related income is not subject to federal or state income taxes.

Recently Issued Accounting Pronouncements

In August 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-23, *Measuring Charity Care for Disclosure*. ASU No. 2010-23 requires that the level of charity care provided be presented based on the direct and indirect costs of the charity services provided. ASU No. 2010-23 also requires separate disclosure of the amount of any cash reimbursements received for providing charity care. ASU No. 2010-23 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2010. The Company adopted the provisions of ASU No. 2010-23 in 2010 (see Note 3).

In August 2010, the FASB issued ASU No. 2010-24, *Health Care Entities (Topic 954): Presentation of Insurance Claims and Related Insurance Recoveries*, which provides clarification to companies in the health care industry on the accounting for professional liability and similar insurance. ASU No. 2010-24 states that insurance liabilities should not be presented net of insurance recoveries and that an insurance receivable should be recognized on the same basis as the liabilities, subject to the need for a valuation allowance for uncollectible accounts. ASU No. 2010-24 is effective for fiscal years beginning after December 15, 2010 and was adopted by the Company in 2011. The adoption of this standard increased other assets and other long-term liabilities by \$14,654 in the consolidated balance sheet as of December 31, 2011 as compared to December 31, 2010.

In July 2011, the FASB issued ASU No. 2011-07, *Health Care Entities (Topic 954): Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*. The provisions of ASU No. 2011-07 require certain health care entities that recognize significant amounts of patient service revenue at the time the services are rendered without assessing the patient's ability to pay to present the provision for bad debts related to patient service revenue as a deduction from patient service revenue in the statement of operations rather than as an operating expense. Additional disclosures relating to sources of patient service revenue and the allowance for

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

2. Summary of Significant Accounting Policies (continued)

uncollectible accounts will also be required. This new guidance is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011, with early adoption permitted. The adoption of ASU No. 2011-07 is not expected to impact the Company's financial condition, results of operations or cash flows; however, it will change the presentation of the Company's provision for uncollectibles on its statements of operations and will result in additional disclosures.

Reclassifications

Certain reclassifications have been made to 2010 balances previously reported to conform to the current year presentation.

3. Charity Care

The Medical Center provides care to certain patients without charge or at amounts less than its established rates. The costs of charity care and other community benefit activities are derived from both estimated and actual data. The estimated cost of charity care includes the direct and indirect cost of providing such services and is estimated utilizing the Medical Center's ratio of cost to gross charges, which is then multiplied by the gross uncompensated charges associated with providing care to charity patients. The cost of providing these services and supplies to patients who meet the charity care eligibility requirements approximated \$49,100 and \$47,200 for the years ended December 31, 2011 and 2010, respectively. These amounts include \$1,790 and \$6,700, respectively, of charity care provided that met the eligibility criteria but for which State support was not available.

The State of New Jersey Health Care Reform Act of 1992, Chapter 160, established the Health Care Subsidy Fund (HCSF) to provide a mechanism and funding source to compensate hospitals for eligible charity care provided. For charity care services rendered, the Medical Center recognized in net patient service revenue a total allocation from the HCSF of \$24,314 and \$21,615 for the years ended December 31, 2011 and 2010, respectively.

The Medical Center also provides free care to other patients who do not meet the State eligibility requirements or are not compliant in pursuing eligibility status. Such amounts are included in the consolidated statements of operations and changes in net assets as part of the provision for uncollectibles, net of any recoveries realized through collection efforts.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

3. Charity Care (continued)

Behavioral Health provides services to clients without insurance coverage and charges rates based on a sliding fee scale based on income and family size. The cost of providing these services and supplies to patients that meet the established criteria approximated \$1,923 and \$1,991 for the years ended December 31, 2011 and 2010, respectively.

Additionally, the Company sponsors other charitable programs, which provide substantial benefit to the broader community. Such programs include services to the needy and elderly population that require special support, various clinical outreach programs, as well as health promotion and education for the general community welfare. Health care and other services are also provided to those covered by Medicaid and Medicare for which the Medical Center is not reimbursed its full cost.

4. Net Patient Service Revenue

The Medical Center has agreements with third-party payors that provide for payments at amounts different from established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare/Medicaid

Inpatient acute care services for Medicare and Medicaid program beneficiaries are paid at prospectively determined rates per discharge. The Medical Center's outpatient services for Medicare program beneficiaries are paid at prospectively determined rates per visit. The rates vary according to a patient classification system that is based on the services performed. The Medical Center's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Medical Center. Outpatient services for Medicaid program beneficiaries are paid based on a cost reimbursement methodology, subject to limitations. The Medical Center is reimbursed for cost reimbursable items and other items at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the program's fiscal intermediaries. The Company's cost reports have not been audited by the fiscal intermediaries for the years ended December 31, 2011 and 2010. Differences between the estimated settlements and the amounts finalized are recorded in the year of settlement. Appeal items are recorded when realization is reasonably assured. The estimates are included in estimated third-party payor settlements and other liabilities in the consolidated balance sheets. In the opinion of

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

4. Net Patient Service Revenue (continued)

management, adequate provision has been made for any adjustment based on information currently available, which may result from the final settlements of the cost reports and appeal issues.

Commercial

The Medical Center has also entered into agreements with certain commercial insurance carriers and health maintenance organizations. The basis for payment to the Medical Center under these agreements includes prospectively determined per diem and case rates and discounts from established charges. Some agreements have retrospective audit clauses, allowing the payor to review and adjust claims subsequent to initial payment. Changes in estimates resulting from such adjustments are recorded when estimatable. Payments to Behavioral Health are based on a fee-for-service schedule or a capitated rate.

State Funding

In addition to Medicaid and the HCSF for charity care, the State provides funding from the Hospital Relief and Special Subsidy Fund to hospitals that provide certain high-cost and/or specialty services. The Medical Center recognized in net patient service revenue \$6,951 and \$7,588 in 2011 and 2010, respectively, from the Hospital Relief and Special Subsidy Fund.

Behavioral Health's primary source of funding is the State of New Jersey Department of Human Services, Division of Mental Health Services and other federal and state agencies. These funds are issued to provide outpatient behavioral health services, specializing in outpatient therapy and adult partial care.

The balance of net patient service revenues is derived from payments by third-party payors for services rendered and from other miscellaneous sources.

The Company's net revenues from the Medicare and Medicaid programs accounted for approximately 22% and 3% and 24% and 3% for the years ended December 31, 2011 and 2010, respectively, of the Company's net patient service revenue. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

4. Net Patient Service Revenue (continued)

near term. Net patient service revenue includes \$3,828 and \$959 for the years ended December 31, 2011 and 2010, respectively, of net settlements or changes in previous years' estimates for Medicare, Medicaid and certain commercial payors. The Company believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing that could have a material adverse effect on its consolidated financial statements. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory actions including fines, penalties, and exclusion from the Medicare and Medicaid programs.

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 government, cannot presently be determined. Future changes in the Medicare and Medicaid programs and any reduction of funding could have an adverse impact on the Company.

5. Assets Limited as to Use

	December 31	
	2011	2010
Board-designated investments:		
Cash and cash equivalents	\$ 33,815	\$ 34,751
Marketable equity securities	155,018	152,837
Fixed income securities	113,320	116,311
Alternative investments, at equity method value	43,180	45,870
Accrued interest	159	172
	\$ 345,492	\$ 349,941

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

5. Assets Limited as to Use (continued)

	December 31	
	2011	2010
Trustee-held assets under debt agreements:		
Cash and cash equivalents	\$ 4,745	\$ 4,870
Fixed income securities	16,388	15,166
Accrued interest	258	258
	<u>21,391</u>	<u>20,294</u>
Less assets required for current liabilities	7,121	7,119
	<u>\$ 14,270</u>	<u>\$ 13,175</u>
Permanently restricted funds:		
Cash and cash equivalents	\$ 1,038	\$ 1,030
Marketable equity securities	305	307
Fixed income securities	87	85
	<u>\$ 1,430</u>	<u>\$ 1,422</u>

Trustee-held assets limited as to use under debt agreements are maintained for the following purposes:

	December 31	
	2011	2010
Debt service principal funds	\$ 2,393	\$ 2,263
Debt service interest funds	4,745	4,871
Debt service reserve funds	13,995	12,902
Accrued interest	258	258
	<u>\$ 21,391</u>	<u>\$ 20,294</u>

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

5. Assets Limited as to Use (continued)

Unrestricted investment (loss) return is comprised of the following:

	Year Ended December 31	
	2011	2010
Other operating revenues:		
Interest income – trustee-held assets	\$ 1,007	\$ 1,012
Non-operating (losses) gains, net:		
Interest and dividend income, net	\$ 5,233	\$ 6,535
Net realized gains and losses on sale of investments	9,239	(6,210)
Net change in unrealized gains and losses	(14,964)	28,873
	\$ (492)	\$ 29,198

6. Fair Value Measurements

The Company values its financial assets and liabilities at fair value, when applicable. For assets and liabilities required to be measured at fair value, the Company measures fair value based on 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. In order to increase consistency and comparability in fair value measurements, the Company follows a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – observable inputs that are based on inputs not quoted in active markets, but corroborated by market data.
- Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

6. Fair Value Measurements (continued)

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 Company records its investments in alternative investments based upon net asset values derived from the application of the equity method of accounting.

The following is a description of the Company's valuation methodology for assets measured at fair value. Fair value for Level 1 is based upon quoted market prices. Fair value for Level 2 is based upon 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. Fair value for Level 3 consists of alternative investment hedge funds within the pension portfolio, for which the valuation methodology is described in Note 2.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

6. Fair Value Measurements (continued)

The following table presents cash and assets limited as to use, excluding accrued interest, as of December 31, 2011, by the valuation hierarchy defined above:

	Level 1	Level 2	Level 3	Fair Value Subtotal	Equity Method	Total
Cash						
Cash and cash equivalents	\$ 2,925	\$ —	\$ —	\$ 2,925	\$ —	\$ 2,925
Assets limited as to use						
Cash and cash equivalents	39,598	—	—	39,598	—	39,598
Marketable equity securities						
Equities						
US large cap	35,352	—	—	35,352	—	35,352
US mid cap	2,017	—	—	2,017	—	2,017
US small cap	7,584	—	—	7,584	—	7,584
International developed bonds	92,208	—	—	92,208	—	92,208
Emerging markets	16,302	—	—	16,302	—	16,302
Real estate						
Public REITs	1,519	—	—	1,519	—	1,519
Other	89	—	—	89	—	89
Other	252	—	—	252	—	252
Fixed income						
Corporate						
Investment grade taxable	—	64,052	—	64,052	—	64,052
International developed bonds	—	1,827	—	1,827	—	1,827
Government						
US Treasury Securities	3,265	—	—	3,265	—	3,265
Mutual funds						
US Corporate	29,516	—	—	29,516	—	29,516
US Government	15,167	—	—	15,167	—	15,167
US Mortgage-backed	15,946	—	—	15,946	—	15,946
International	21	—	—	21	—	21
Alternative investments	—	—	—	—	43,180	43,180
Total	\$ 261,761	\$ 65,879	\$ —	\$ 327,640	\$ 43,180	\$ 370,820

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

6. Fair Value Measurements (continued)

The following table presents cash and assets limited as to use, excluding accrued interest, as of December 31, 2010, by the valuation hierarchy defined above:

	Level 1	Level 2	Level 3	Fair Value Subtotal	Equity Method	Total
Cash						
Cash and cash equivalents	\$ 4,174	\$ –	\$ –	\$ 4,174	\$ –	\$ 4,174
Assets limited as to use						
Cash and cash equivalents	40,651	–	–	40,651	–	40,651
Marketable equity securities						
Equities						
US large cap	32,605	–	–	32,605	–	32,605
US mid cap	2,473	–	–	2,473	–	2,473
US small cap	7,834	–	–	7,834	–	7,834
International developed bonds	94,618	–	–	94,618	–	94,618
Emerging markets	13,784	–	–	13,784	–	13,784
Real estate						
Public REITs	1,504	–	–	1,504	–	1,504
Other	157	–	–	157	–	157
Other	169	–	–	169	–	169
Fixed Income						
Corporate						
Investment grade taxable	–	71,630	–	71,630	–	71,630
International developed bonds	–	1,557	–	1,557	–	1,557
Government						
US Treasury Securities	3,583	–	–	3,583	–	3,583
Mutual funds						
US Corporate	26,294	–	–	26,294	–	26,294
US Government	14,590	–	–	14,590	–	14,590
US Mortgage-backed	13,899	–	–	13,899	–	13,899
International	9	–	–	9	–	9
Alternative investments	–	–	–	–	45,870	45,870
Total	\$ 256,344	\$ 73,187	\$ –	\$ 329,531	\$ 45,870	\$ 375,401

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

6. Fair Value Measurements (continued)

The following table presents the pension and postretirement benefit plan (see Note 10) investments as of December 31, 2011, by the valuation hierarchy defined above:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 1,278	\$ —	\$ —	\$ 1,278
Marketable equity securities				
Common stock	6,525	—	—	6,525
Large cap	58,766	—	—	58,766
Small/mid cap	15,554	—	—	15,554
Mutual funds	239	—	—	239
International	31,125	—	—	31,125
SEI Dynamic Asset Fund	9,686	—	—	9,686
Fixed income				
Emerging markets	—	7,685	—	7,685
Mutual funds	53,306	—	—	53,306
Alternative investments	—	—	23,954	23,954
Total	\$ 176,479	\$ 7,685	\$ 23,954	\$ 208,118

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

6. Fair Value Measurements (continued)

The following table presents the pension and postretirement benefit plan investments as of December 31, 2010, by the valuation hierarchy defined above:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 2,089	\$ —	\$ —	\$ 2,089
Marketable equity securities				
Common stock	5,684	—	—	5,684
Large cap	61,193	—	—	61,193
Small/mid cap	15,990	—	—	15,990
Mutual funds	691	—	—	691
International	38,916	—	—	38,916
Fixed income				
Emerging markets	—	8,127	—	8,127
Mutual funds	47,601	—	—	47,601
Alternative investments	—	—	23,592	23,592
Total	\$ 172,164	\$ 8,127	\$ 23,592	\$ 203,883

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

7. Property, Plant, and Equipment

	Estimated Useful Lives	December 31 2011	2010
Land		\$ 12,816	\$ 12,731
Land improvements	20–50 yrs	1,810	1,775
Buildings	15–40 yrs	417,796	379,516
Fixed equipment	6–25 yrs	10,217	9,981
Movable equipment	3–20 yrs	313,118	291,274
		<u>755,757</u>	<u>695,277</u>
Less accumulated depreciation		<u>399,257</u>	<u>362,752</u>
		<u>356,500</u>	<u>332,525</u>
Construction-in-progress		13,250	24,022
		<u>\$ 369,750</u>	<u>\$ 356,547</u>

Depreciation expense related to property and equipment amounted to \$41,459 and \$38,210 in 2011 and 2010, respectively.

In 2009, the Medical Center's Board approved \$18,600 for renovations to the OR/PACU units at the City Campus. The Board also approved a total of \$20,600 for the construction of a 39,000 square foot building in Hammonton, New Jersey to include space for a satellite emergency department, wound care center, imaging center and other medical offices, which were completed in 2011. Additionally, in 2010 the Board approved \$5,476 for the construction of a 12,000 square foot outpatient facility to treat child and adolescent behavioral health.

Contracts of approximately \$54,398 exist for the above projects, as well as a number of smaller projects. As of December 31, 2011, the remaining unrecorded commitment under these contracts is approximately \$16,310.

Net capitalized interest related to various renovations to Medical Center facilities amounted to \$546 and \$186 for the years ended December 31, 2011 and 2010, respectively.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

8. Long-Term Debt

	December 31	
	2011	2010
New Jersey Health Care Facilities Financing Authority (NJHCFFA) – Medical Center		
Series 2007 Revenue Bonds, principal/sinking fund payments range from \$640 to \$8,140 maturing on July 1 of each year through 2037 with interest rates ranging from 4.00% to 5.00% due January 1 and July 1 of each year. Amount includes an unamortized premium of \$2,781 and \$2,956 at December 31, 2011 and 2010, respectively	\$ 114,090	\$ 114,876
Variable Rate Composite Program-Comp VI Series 2006 A-1 Revenue Bonds. Interest is at a variable rate (0.14% and 0.26% at December 31, 2011 and 2010, respectively) not to exceed 12.00%. Principal payments of \$1,000 are due annually through 2031. The bonds are backed by a Letter of Credit with a bank, which expires November 22, 2012.	20,000	21,000
Variable Rate Composite Program-Comp VI Series 2005 A-1 Revenue Bonds. Interest is at a variable rate (0.14% and 0.28% at December 31, 2011 and 2010, respectively) not to exceed 12.00%. Principal payments of \$1,000 are due annually through 2030. The bonds are backed by a Letter of Credit with a bank, which expires May 30, 2012.	19,000	20,000
Series 2002 Revenue Bonds, principal/sinking fund payments range from \$4,145 to \$4,870 maturing on July 1 of each year through 2025 with interest rates ranging from 4.70% to 6.25% due January 1 and July 1 of each year. Amount includes an unamortized premium of \$350 and \$399 at December 31, 2011 and 2010, respectively	50,625	54,589
New Jersey Economic Development Authority (NJEDA) – Behavioral Health		
Series 2000 Bonds, principal payments range from \$15 to \$25 maturing on July 1 of each year through 2017 with interest rates ranging from 4.10% to 6.10% due January 1 and July 1 of each year	115	140
Behavioral Health bank loan maturing on March 28, 2018. Interest is payable monthly at 6.00%. Principal and interest payments of \$8 are due monthly	507	569
Capital lease obligation, fixed interest rate at 4.93% with principal and interest due quarterly through May 1, 2011	–	234
Total long-term debt	204,337	211,408
Less current portion of long-term debt	6,878	6,849
Long-term debt, net of current portion	\$ 197,459	\$ 204,559

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

8. Long-Term Debt (continued)

In June 2007, the NJHCFFA issued \$113,420 Revenue and Refunding Bonds (Series 2007 Bonds) to fund construction and renovations at the City Campus, fund the acquisition of certain equipment, advance refund a portion of the 2002 Revenue Bonds and fund the repayment of the 1985 and 2005 CAP Loans. Portions of the Series 2002 Revenue Bonds, totaling \$36,775, scheduled to mature on or after July 2017, were legally defeased and the 1985 and 2005 Capital Asset Program loans, totaling \$23,671 were repaid from the proceeds of the Series 2007 Bonds. Concurrent with the defeasance, an irrevocable escrow was established for the aggregate amount of the defeased Series 2002 Revenue Bonds. The defeased debt is considered legally defeased and meets derecognition criteria.

The Series 2007 Bonds were issued under a Master Trust Indenture (MTI), as amended and supplemented by a Fifth Supplemental Indenture dated as of June 1, 2007, and are joint and several obligations of the Obligated Group (currently the Medical Center only). Certain property and equipment, as well as deposits with the trustee and the gross receipts of the Obligated Group, are pledged to secure the payment of interest and principal. The MTI also places limits on the permitted level of indebtedness, restrictions on the sale of certain assets, mergers and other significant transactions and requires the Obligated Group to satisfy certain measures of financial performance as long as the bonds are outstanding.

In November 2006, the NJHCFFA issued \$82,870 Revenue Bonds, Variable Rate Composite Program; Series 2006 A-1 through A-6. The bonds were issued in six separate series for separate institutions, designated as Series 2006 A-1 through A-6, and are secured pursuant to separate Trust Indentures. The Medical Center was specifically issued Series A-1 for \$25,000 to finance construction and equipping of a seven-story addition and renovation at the Medical Center's City Campus in Atlantic City, New Jersey. Interest is calculated at a weekly rate under a remarketing agreement not to exceed 12%, and the bonds have the option to be converted to a term rate.

In December 2005, the NJHCFFA issued \$49,600 Revenue Bonds, Variable Rate Composite Program; Series 2005 A-1 through A-3. The bonds were issued in three separate series for separate institutions, designated as Series 2005 A-1 through A-3, and are secured pursuant to separate Trust Indentures. The Medical Center was specifically issued Series A-1 for \$25,000 to finance construction and equipping of a seven-story addition and renovation at the Medical Center's City Campus in Atlantic City, New Jersey. Interest is calculated at a weekly rate under a remarketing agreement not to exceed 12%, and the bonds have the option to be converted to a term rate.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

8. Long-Term Debt (continued)

Subsequently in January 2012 the Company refinanced the Series 2005 A-1 and Series 2006 A-1 bonds. In January 2012 the NJHCFFA issued \$39,325 Series 2012A refunding bonds in a direct bond purchase agreement with Wells Fargo Bank, National Association.

The Series 2002 Revenue Bonds were issued under the MTI described previously, subject to the same provisions.

The bond documents related to the above require the Obligated Group to comply with certain financial ratios and covenants, including the requirement that the Obligated Group generate funds available for debt service (as defined) equivalent to at least 125% of maximum annual debt service. At December 31, 2011 and 2010, the Obligated Group has complied with all financial ratio covenants related to the Series 2007, Series 2002, Series 2005 A-1 and Series 2006 A-1 Bonds. Certain other property and equipment secures the New Jersey Economic Development Authority bonds.

The Company uses current quoted market prices and other valuation considerations in estimating the fair value of its bonds and the other long-term debt obligations. The fair value of long-term debt was \$205,519 and \$205,368 at December 31, 2011 and 2010, respectively.

Scheduled principal and sinking fund payments on long-term debt for the next five years and thereafter are as follows:

	Medical Center	Behavioral Health	Total
2012	\$ 6,785	\$ 93	\$ 6,878
2013	7,050	97	7,147
2014	7,315	102	7,417
2015	7,595	106	7,701
2016	7,901	101	8,002
Thereafter	163,938	123	164,061
Total	<u>\$ 200,584</u>	<u>\$ 622</u>	<u>\$ 201,206</u>

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

9. Transactions with Affiliates

The Company receives support services from other System affiliates. These amounts are settled with the affiliates on a current basis. Amounts expended for such services are included in the current period expenses of the Company and totaled \$44,880 and \$46,384 for the years ended December 31, 2011 and 2010, respectively.

The Company has made and received several permanent transfers to and from affiliates which are included in other changes in unrestricted net assets. In 2011 and 2010, the Company transferred \$250 to the Foundation to support fundraising. In 2010, the Company also transferred \$20 to InfoShare to fund a health information exchange program with the Company's affiliates and other local health care providers.

During 2011, the Company transferred \$3,447 to Health Services to support the geographic expansion efforts.

During 2010, the Company transferred \$8,000 to the System to fund EC Assurance.

In 2011 and 2010, the Company made \$3,000 and \$4,000 in contributions, respectively, to Health Engagement, which is included in supplies and other in the consolidated statements of operations and changes in net assets. These funds are being used by Health Engagement for the development of health management capabilities and structures, and health status improvement initiatives for the benefit of the broader community.

10. Pension and Other Postretirement Benefit Plans

The Medical Center participates in the System's noncontributory defined benefit pension plan (the Pension Plan) covering substantially all employees. The benefits are based on an employee's final average compensation. An amendment to the Pension Plan closed it to all employees who are hired or rehired on or after January 1, 2010. These employees are participants in a new defined contribution pension plan that will provide a 3% of pay contribution that will be made to a separate account maintained on their behalf.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

10. Pension and Other Postretirement Benefit Plans (continued)

Additionally, certain retired employees of the Medical Center who met the requirements to become vested under the terms of the Pension Plan and were over 55 years of age at the time of their retirement were provided health and life insurance benefits (Other Benefits). Effective January 1, 1993, the Medical Center revised its eligibility requirements and maximum benefits for employees retiring after 1993. The Medical Center discontinued providing retirement health benefits for employees retiring after December 31, 1995. Effective February 29, 2008, a voluntary employees' beneficiary association (VEBA) was established with a contribution of \$9,900 to prefund the cost of certain employee benefits, including retiree health care benefits.

The measurement date for the plans is December 31. The following table summarizes information about the Pension Plan and Other Benefits:

	Pension Plan		Other Benefits	
	December 31			
	2011	2010	2011	2010
Change in benefit obligation				
Benefit obligation at beginning of year	\$ 220,984	\$ 185,847	\$ 12,320	\$ 12,709
Service cost	14,322	12,404	91	80
Interest cost	11,432	10,442	619	666
Actuarial loss (gain)	45,493	18,825	1,074	(417)
Retiree contributions	—	—	13	11
Medicare Part D subsidy	—	—	95	102
Benefits paid	(11,843)	(6,534)	(914)	(831)
Benefit obligation at end of year	280,388	220,984	13,298	12,320
Change in plan assets				
Fair value of plan assets at beginning of year	193,105	152,174	10,778	9,517
Actual return on plan assets (net of expenses)	1,090	21,465	188	1,261
Retiree contributions	—	—	13	11
Medicare Part D subsidy	—	—	95	102
Employer contributions	14,800	26,000	806	718
Benefits paid	(11,843)	(6,534)	(914)	(831)
Fair value of plan assets at end of year	197,152	193,105	10,966	10,778
Unfunded status	\$ 83,236	\$ 27,879	\$ 2,332	\$ 1,542

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

10. Pension and Other Postretirement Benefit Plans (continued)

The accumulated benefit obligation for the Pension Plan was \$212,752 and \$166,717 at December 31, 2011 and 2010, respectively.

Included in unrestricted net assets at December 31, 2011 and 2010 are the following amounts that have not yet been recognized in net periodic pension cost:

	2011		2010	
	Pension Plan	Other Benefits	Pension Plan	Other Benefits
Unrecognized actuarial (loss) gain	\$ (114,775)	\$ 1,953	\$(59,061)	\$ 3,696
Unrecognized prior service cost	(1,355)	—	(1,726)	—

Approximately \$9,332 of unrecognized actuarial loss and unrecognized prior service cost are expected to be recognized in net periodic pension cost during the year ending December 31, 2012.

	Pension Plan		Other Benefits	
	2011	2010	2011	2010
Components of net periodic benefits cost				
Service cost	\$ 14,322	\$ 12,404	\$ 91	\$ 80
Interest cost	11,432	10,442	619	666
Expected return on plan assets	(15,366)	(12,350)	(862)	(761)
Prior year service cost	—	—	5	5
Amortization of prior service cost	372	372	—	—
Recognized actuarial loss	4,054	3,272	—	—
Net periodic benefit cost	\$ 14,814	\$ 14,140	\$ (147)	\$ (10)

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

10. Pension and Other Postretirement Benefit Plans (continued)

	Pension Plan		Other Benefits	
	December 31			
	2011	2010	2011	2010
Weighted-average assumptions used to determine benefit obligations at December 31				
Discount rate	4.10%	5.25%	4.10%	5.25%
Rate of compensation increase	4.00	4.00	—	—
Weighted-average assumptions used to determine net periodic benefit cost for the years ended December 31				
Discount rate	5.25%	5.75%	5.25%	5.75%
Rate of compensation increase	4.00	4.00	—	—
Expected return on plan assets	8.00	8.00	8.00	8.00

To develop the expected long-term rate of return on assets assumption, the Medical Center considered the historical returns and the future expectations for returns for each asset class, as well as the target allocation of the pension portfolio. This resulted in the selection of the 8.00% expected return on plan assets.

	Other Benefits	
	December 31	
	2011	2010
Assumed health care cost trend rates at December 31		
Health care cost trend rate assumed for next year	8.65%	9.00%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50	4.50%
Year that the rate reaches the ultimate trend rate	2029	2029

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

10. Pension and Other Postretirement Benefit Plans (continued)

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	Other Benefits	
	December 31	
	2011	2010
Effect of 1% increase in health care cost trend rates on:		
Postretirement benefit obligation	\$ 680	\$ 664
Total of service cost and interest cost component	30	34
Effect of 1% decrease in health care cost trend rates on:		
Postretirement benefit obligation	(616)	(601)
Total of service cost and interest cost component	(27)	(31)

Plan Assets

The Medical Center's Pension Plan actual weighted-average asset allocations and target asset allocations, by asset category, are as follows:

Asset Category	Target Asset Allocation	Pension Plan Assets at	
		December 31	
		2011	2010
Equity securities	40–60%	59%	57%
Debt securities	20–40%	29	26
Alternative investments	0–20%	12	17
		100%	100%

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

10. Pension and Other Postretirement Benefit Plans (continued)

The Medical Center's actual weighted-average asset allocations and target asset allocations for Other Benefits, by asset category, are as follows:

Asset Category	VEBA Target Asset Allocation	VEBA Plan Assets at December 31	
		2011	2010
Equity securities	40–60%	49%	52%
Debt securities	40–60%	51	48
Cash	0–10%	–	–
		100%	100%

The Medical Center's investment policy for the Pension Plan and Other Benefits is designed to anticipate the financial needs of the plans, consider risk tolerance, and document and communicate objectives, guidelines, and standards to the investment managers. The asset allocation contains guideline percentages, at market value, of the total plan invested in various asset classes. The target allocation is an assumption and may vary from period to period as actual asset allocations at any point will be determined by current and anticipated market conditions, the independent actions of the Investment Committee, and required cash flow to and from the plans.

Cash Flows

Contributions

The Medical Center is not required to contribute to the Pension Plan or Other Benefits in 2012; however, the Medical Center may make contributions at its discretion.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

10. Pension and Other Postretirement Benefit Plans (continued)

Estimated Future Benefit Payments

	Pension Plan	Other Benefits
Year ended December 31:		
2012	\$ 11,695	\$ 1,214
2013	11,231	1,205
2014	12,437	1,189
2015	12,977	1,165
2016	16,905	1,133
2017 – 2021	89,835	5,022

Defined Contribution Pension Plans

As discussed in the previous section regarding the Pension Plan and Other Postretirement Benefit Plans, a defined contribution plan was added for all employees hired after January 1, 2010. The Medical Center incurred \$721 and \$188 of expense related to this plan during the years ended December 31, 2011 and 2010, respectively.

Behavioral Health sponsors a separate defined contribution pension plan that covers substantially all of its employees. Contributions to this plan are based on compensation. For the years ended December 31, 2011 and 2010, pension expense was \$27 and \$403, respectively. Effective January 31, 2011, a decision was made to terminate this plan. No further employer contributions will be made to the plan after this date. Once Behavioral Health receives approval from the Internal Revenue Service to terminate the plan, all assets will be distributed to the plan participants. Effective January 31, 2010, Behavioral Health amended its defined contribution plan to also provide for employer non-elective contribution. For the years ended December 31, 2011 and 2010, the amount of Behavioral Health employer matching and non-elective contributions was \$308 and \$54, respectively.

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

11. Functional Expenses

The Company provides general and behavioral health services to residents within its geographic location. These services are provided through its two acute care facilities, as well as emergency rooms, trauma center and ambulatory care centers. Expenses related to providing these services are as follows:

	Year Ended December 31	
	2011	2010
Health care services	\$ 552,274	\$ 520,009
General, support and administrative	94,379	91,465
	\$ 646,653	\$ 611,474

12. Concentrations of Credit Risk

The Company grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors was as follows:

	December 31	
	2011	2010
Medicare	26%	25%
Medicaid	4	6
Blue Cross	16	12
Self-pay	22	24
Commercial	16	17
Other	16	16
	100%	100%

AtlantiCare Regional Medical Center and Affiliate

Notes to Consolidated Financial Statements (continued)

(In Thousands)

13. Commitments and Contingencies

Malpractice Litigation and Estimated Malpractice Cost

The Company is a defendant in civil actions for alleged medical malpractice. These actions are being defended by the medical malpractice insurance carrier. In the opinion of management, the potential liability for damages covered under medical malpractice and comprehensive general liability insurance is within the limits of such insurance coverage.

As a result of the adoption of ASU No. 2010-24 in 2011, at December 31, 2011 the Medical Center recorded an estimated insurance recovery receivable and medical malpractice claim liability of \$14,654. Such amounts are recorded within other assets and other liabilities within the consolidated balance sheet.

The Medical Center currently maintains claims-made malpractice insurance coverage and has estimated losses for liabilities relating to unasserted malpractice claims not reported to its malpractice insurance company. This estimate for unreported incidents and losses, which is based on its own past experience and industry experience data, was \$5,069 and \$4,605 at December 31, 2011 and 2010, respectively, and is included in other liabilities in the consolidated balance sheets. Estimated losses for malpractice claims have been discounted at 5% and, in management's opinion, provide adequate reserve for loss contingencies. In 2008, the Medical Center began to purchase its insurance coverage from English Creek Assurance, Ltd., which is a captive insurance company that is a wholly owned subsidiary of the AtlantiCare Health System and is incorporated under the laws of Bermuda.

Operating Leases

The Company leases certain equipment and buildings under various operating leases expiring at various dates through 2024. Rental expense for all operating leases was \$3,562 and \$3,179 for 2011 and 2010, respectively. The total minimum rental commitments under the terms of these leases are as follows:

2012	\$	1,835
2013		1,297
2014		1,201
2015		1,165
2016		1,120
Thereafter		6,626

AtlantiCare Regional Medical Center and Affiliate
Notes to Consolidated Financial Statements (continued)

(In Thousands)

14. Subsequent Events

The Company evaluated subsequent events through April 12, 2012 which is the date the Company's consolidated financial statements were issued. No subsequent events have occurred that require disclosure or adjustment to the financial statements, except as discussed in Note 8.

Supplementary Information

Report of Independent Auditors on Supplementary Information

Board of Governors
AtlantiCare Regional Medical Center

We have audited the financial statements of AtlantiCare Regional Medical Center as of and for the year ended December 31, 2011, and have issued our report thereon dated April 12, 2012, which contained an unqualified opinion on those financial statements. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating balance sheets as of December 31, 2011 and 2010 and the consolidating statements of operations and changes in net assets for the years then ended are presented for purposes of additional analysis and are 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

April 12, 2012

AtlantiCare Regional Medical Center and Affiliate

Consolidating Balance Sheet

December 31, 2011

(In Thousands)

	AtlantiCare Regional Medical Center	AtlantiCare Behavioral Health	Eliminations	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 93	\$ 2,262	\$ 570	\$ 2,925
Assets limited as to use – current portion	7,121	–	–	7,121
Patient accounts receivable, net	73,185	971	–	74,156
Due from affiliates, net	1,189	–	(1,189)	–
Prepaid expenses and other current assets	22,048	2,522	–	24,570
Total current assets	103,636	5,755	(619)	108,772
Assets limited as to use				
Board-designated investments	345,435	57	–	345,492
Trustee-held assets under debt agreements	14,270	–	–	14,270
Permanently restricted funds	1,430	–	–	1,430
	361,135	57	–	361,192
Property, plant, and equipment, net	367,688	2,062	–	369,750
Other assets	14,654	–	–	14,654
Deferred financing costs, net	1,660	–	–	1,660
Total assets	\$ 848,773	\$ 7,874	\$ (619)	\$ 856,028
Liabilities and net assets				
Current liabilities				
Accounts payable and accrued expenses	\$ 73,681	\$ 2,702	\$ 570	\$ 76,953
Due to affiliates, net	3,051	527	(1,189)	2,389
Current portion of long-term debt and capital lease obligations	6,785	93	–	6,878
Accrued interest payable	4,237	–	–	4,237
Estimated third-party payor settlements	56,374	–	–	56,374
Total current liabilities	144,128	3,322	(619)	146,831
Other liabilities	57,387	177	–	57,564
Accrued retirement benefits	83,236	–	–	83,236
Long-term debt and capital lease obligations, net of current portion	196,930	529	–	197,459
Total liabilities	481,681	4,028	(619)	485,090
Net assets				
Unrestricted	358,264	2,554	–	360,818
Temporarily restricted	7,398	1,292	–	8,690
Permanently restricted	1,430	–	–	1,430
Total net assets	367,092	3,846	–	370,938
Total liabilities and net assets	\$ 848,773	\$ 7,874	\$ (619)	\$ 856,028

AtlantiCare Regional Medical Center and Affiliate

Consolidating Statement of Operations and Changes in Net Assets

Year Ended December 31, 2011

(In Thousands)

	AtlantiCare Regional Medical Center	AtlantiCare Behavioral Health	Eliminations	Total
Unrestricted net assets				
Revenues				
Net patient service revenue	\$ 646,931	\$ 5,524	\$ (254)	\$ 652,201
Grant revenues	3,976	11,983	(1,568)	14,391
Other operating revenues	5,442	1,661	(100)	7,003
Total revenues	656,349	19,168	(1,922)	673,595
Expenses				
Salaries and wages	213,178	10,308	75	223,561
Physician salaries and fees	46,172	—	(52)	46,120
Employee benefits	67,340	3,677	(234)	70,783
Supplies and other	214,404	4,736	(1,711)	217,429
Interest	10,908	49	—	10,957
Depreciation and amortization	41,204	379	—	41,583
Provision for uncollectibles, net	36,220	—	—	36,220
Total expenses	629,426	19,149	(1,922)	646,653
Income from operations	26,923	19	—	26,942
Non-operating (losses) gains, net				
Net change in unrealized gains and losses	(14,964)	—	—	(14,964)
Investment income, net	14,472	—	—	14,472
Investment loss	(492)	—	—	(492)
Excess of revenues and gains over expenses and losses	26,431	19	—	26,450

Continued on next page

AtlantiCare Regional Medical Center and Affiliate

Consolidating Statement of Operations and Changes in Net Assets (continued)

Year Ended December 31, 2011

(In Thousands)

	AtlantiCare Regional Medical Center	AtlantiCare Behavioral Health	Eliminations	Total
Unrestricted net assets (continued)				
Excess of revenues and gains over expenses and losses <i>(from previous page)</i>	\$ 26,431	\$ 19	\$ —	\$ 26,450
Other changes in unrestricted net assets				
Net assets released from restrictions and grants received for the purchase of property, plant, and equipment	472	—	—	472
Change in beneficial interest in AtlantiCare Foundation	258	—	—	258
Transfers to affiliates, net	(3,697)	—	—	(3,697)
Change in pension and postretirement liabilities	(57,086)	—	—	(57,086)
(Decrease) increase in unrestricted net assets	(33,622)	19	—	(33,603)
Temporarily restricted net assets				
Net assets released from restrictions	(1,244)	(403)	—	(1,647)
Contributions and grants	862	239	—	1,101
Decrease in temporarily restricted net assets	(382)	(164)	—	(546)
Permanently restricted net assets				
Net change in unrealized gains and losses	8	—	—	8
Increase in permanently restricted net assets	8	—	—	8
Decrease in net assets	(33,996)	(145)	—	(34,141)
Net assets at beginning of year	401,088	3,991	—	405,079
Net assets at end of year	\$ 367,092	\$ 3,846	\$ —	\$ 370,938

AtlantiCare Regional Medical Center and Affiliate

Consolidating Balance Sheet

December 31, 2010

(In Thousands)

	AtlantiCare Regional Medical Center	AtlantiCare Behavioral Health	Eliminations	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 98	\$ 3,469	\$ 607	\$ 4,174
Assets limited as to use – current portion	7,119	–	–	7,119
Patient accounts receivable, net	58,303	705	–	59,008
Due from affiliates, net	2,514	55	(2,569)	–
Prepaid expenses and other current assets	25,592	2,739	–	28,331
Total current assets	93,626	6,968	(1,962)	98,632
Assets limited as to use				
Board-designated investments	349,885	56	–	349,941
Trustee-held assets under debt agreements	13,175	–	–	13,175
Permanently restricted funds	1,422	–	–	1,422
	364,482	56	–	364,538
Property, plant, and equipment, net	354,483	2,064	–	356,547
Deferred financing costs, net	1,733	–	–	1,733
Total assets	\$ 814,324	\$ 9,088	\$ (1,962)	\$ 821,450
Liabilities and net assets				
Current liabilities				
Accounts payable and accrued expenses	\$ 74,694	\$ 3,321	\$ 607	\$ 78,622
Due to affiliates, net	4,388	868	(2,569)	2,687
Current portion of long-term debt and capital lease obligations	6,760	89	–	6,849
Accrued interest payable	4,372	–	–	4,372
Estimated third-party payor settlements	51,797	–	–	51,797
Total current liabilities	142,011	4,278	(1,962)	144,327
Other liabilities	39,407	199	–	39,606
Accrued retirement benefits	27,879	–	–	27,879
Long-term debt and capital lease obligations, net of current portion	203,939	620	–	204,559
Total liabilities	413,236	5,097	(1,962)	416,371
Net assets				
Unrestricted	391,886	2,535	–	394,421
Temporarily restricted	7,780	1,456	–	9,236
Permanently restricted	1,422	–	–	1,422
Total net assets	401,088	3,991	–	405,079
Total liabilities and net assets	\$ 814,324	\$ 9,088	\$ (1,962)	\$ 821,450

AtlantiCare Regional Medical Center and Affiliate

Consolidating Statement of Operations and Changes in Net Assets

Year Ended December 31, 2010

(In Thousands)

	AtlantiCare Regional Medical Center	AtlantiCare Behavioral Health	Eliminations	Total
Unrestricted net assets				
Revenues				
Net patient service revenue	\$ 612,487	\$ 5,924	\$ (260)	\$ 618,151
Grant revenues	4,128	11,412	(1,842)	13,698
Other operating revenues	4,633	1,744	(100)	6,277
Total revenues	621,248	19,080	(2,202)	638,126
Expenses				
Salaries and wages	203,111	10,463	55	213,629
Physician salaries and fees	40,685	–	(53)	40,632
Employee benefits	67,978	3,513	(255)	71,236
Supplies and other	204,769	4,504	(1,949)	207,324
Interest	12,113	40	–	12,153
Depreciation and amortization	37,961	376	–	38,337
Provision for uncollectibles, net	28,163	–	–	28,163
Total expenses	594,780	18,896	(2,202)	611,474
Income from operations	26,468	184	–	26,652
Non-operating gains, net				
Net change in unrealized gains and losses	28,873	–	–	28,873
Investment income, net	325	–	–	325
Investment return	29,198	–	–	29,198
Excess of revenues and gains over expenses and losses	55,666	184	–	55,850

Continued on next page

AtlantiCare Regional Medical Center and Affiliate

Consolidating Statement of Operations and Changes in Net Assets (continued)

Year Ended December 31, 2010

(In Thousands)

	AtlantiCare Regional Medical Center	AtlantiCare Behavioral Health	Eliminations	Total
Unrestricted net assets (continued)				
Excess of revenues and gains over expenses and losses <i>(from previous page)</i>	\$ 55,666	\$ 184	\$ –	\$ 55,850
Other changes in unrestricted net assets				
Net assets released from restrictions and grants received for the purchase of property, plant, and equipment	478	–	–	478
Change in beneficial interest in AtlantiCare Foundation	77	–	–	77
Transfers to affiliates, net	(8,270)	–	–	(8,270)
Change in pension and postretirement liabilities	(5,144)	–	–	(5,144)
Increase in unrestricted net assets	42,807	184	–	42,991
Temporarily restricted net assets				
Net assets released from restrictions	(2,164)	(393)	–	(2,557)
Contributions and grants	1,786	138	–	1,924
Decrease in temporarily restricted net assets	(378)	(255)	–	(633)
Permanently restricted net assets				
Net change in unrealized gains and losses	41	–	–	41
Increase in permanently restricted net assets	41	–	–	41
Increase (decrease) in net assets	42,470	(71)		42,399
Net assets at beginning of year	358,618	4,062	–	362,680
Net assets at end of year	\$ 401,088	\$ 3,991	\$ –	\$ 405,079

Additional Data

Software ID:

Software Version:

EIN: 90-0779828

Name: ATLANTICARE HEALTH SYSTEM INC - SUBORDINATES

Form 990, Special Condition Description:

Special Condition Description

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
MATHEW D FINKELSON DMD CHAIRMAN - TRUSTEE	1 0	X		X				0	0	0
FRANCES GOLDSTEIN SECRETARY - TRUSTEE	1 0	X		X				0	0	0
ALDALBERTO LOPEZ TREASURER - TRUSTEE	1 0	X		X				0	0	0
EUGENE M ARNONE TRUSTEE	1 0	X						0	0	0
HOWARD AXELROD MD TRUSTEE	1 0	X						70,689	0	0
DEBORAH BAYER DO TRUSTEE	1 0	X						0	10,288	0
CHARLES F BEIRNE TRUSTEE	1 0	X						0	0	0
BLAIR A BERGEN MD TRUSTEE	55 0	X						0	546,709	49,184
KEITH L DAWN TRUSTEE	1 0	X						0	0	0
NOEL FORRESTEL TRUSTEE	1 0	X						0	0	0
PAUL J GALLAGHER ESQ TRUSTEE	1 0	X						0	0	0
LORI S HERNDON TRUSTEE - ARMC PRES/CEO/EVP	55 0	X		X				606,612	0	143,178
PATRICIA RICH TRUSTEE	1 0	X						0	0	0
GARY ROSMAN MD TRUSTEE	1 0	X						0	0	0
KENNETH R STEINBERG TRUSTEE	1 0	X						0	0	0
DAVID P TILTON TRUSTEE - PRESIDENT AH SYSTEM	55 0	X		X				0	1,154,035	524,746
ERIC M WOOD ESQ TRUSTEE	1 0	X						0	0	0
ROSALIND KINCAID VICE CHAIR - TRUSTEE	1 0	X		X				0	0	0
JORGE F COOMBS ESQ SECRETARY - TRUSTEE	1 0	X		X				0	0	0
GARY HANSON TREASURER - TRUSTEE	1 0	X		X				0	0	0
RONALD CAPLAN PHD TRUSTEE	1 0	X						0	0	0
MARY L CHEEKS TRUSTEE	1 0	X						0	0	0
MERYDAWILDA COLON TRUSTEE	1 0	X						0	0	0
HONORABLE MICHAEL CONNOR TRUSTEE	1 0	X						0	0	0
KANDI HAYDEN TRUSTEE	1 0	X						0	0	0

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
REV MILTON L HENDRICKS TRUSTEE	1 0	X						0	0	0
ELLEN LOUGHNEY ESQ TRUSTEE	1 0	X						0	0	0
DEE W KASSIS RN CHAIR - TRUSTEE	1 0	X		X				0	0	0
BENJAMIN ZELTNER ESQ VICE CHAIRMAN - TRUSTEE	1 0	X		X				0	0	0
CAROLINE TILL SECRETARY - TRUSTEE	1 0	X		X				0	0	0
DAVID L CARR PHD TREASURER - TRUSTEE	1 0	X		X				0	0	0
WILLIAM B AARONS JR MD TRUSTEE - ARMC PHYSICIAN	55 0	X						236,246	0	17,741
HARRY L CHAIKIN MD TRUSTEE	1 0	X						0	0	0
STOWELL FULTON TRUSTEE	1 0	X						0	0	0
TIM GLENN TRUSTEE	1 0	X						0	0	0
STANLEY M GROSSMAN TRUSTEE	1 0	X						0	0	0
GARY HILL TRUSTEE	1 0	X						0	0	0
LARRY KAUFMAN MD TRUSTEE	1 0	X						0	0	0
PRAVIN KHATIWALA TRUSTEE	1 0	X						0	0	0
J EDWARD KLINE TRUSTEE	1 0	X						0	0	0
RANDOLPH C LAFFERTY ESQ TRUSTEE	1 0	X						0	0	0
MARK J LIPPMAN TRUSTEE	1 0	X						0	0	0
GINA MERRITT EPPS ESQ TRUSTEE	1 0	X						0	0	0
ALVIN ONG MD TRUSTEE	1 0	X						0	0	0
TRACY SANTORO TRUSTEE	1 0	X						0	0	0
MAUREEN SIMAN TRUSTEE	1 0	X						0	0	0
IRA M STEIN MD TRUSTEE	55 0	X						184,291	0	31,750
JAMES P NOLAN JR CPA TRUSTEE - TREAS/SR VP FINANCE	55 0	X		X				0	599,405	141,883
KATHERINE A SCHNEIDER MD TRUSTEE - SENIOR VP	55 0	X		X				412,437	0	116,305
MICHAEL J WALSH CHAIRMAN - TRUSTEE	1 0	X		X				0	0	0

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)							(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former				
DAVID M GODDARD VICE CHAIRMAN - TRUSTEE	1 0	X		X				0	0	0	
MANUEL APONTE TREASURER - TRUSTEE	1 0	X		X				0	0	0	
MICHAEL CHARLTON TRUSTEE	1 0	X						0	0	0	
MICHAEL GROSSMAN TRUSTEE	1 0	X						0	0	0	
LYNNE LEVIN KAUFMAN ESQ TRUSTEE	1 0	X						0	0	0	
JOSEPH D KELLY TRUSTEE	1 0	X						0	0	0	
RICHARD S MAIRONE ESQ TRUSTEE	1 0	X						0	0	0	
CARMEN ROYAL TRUSTEE	1 0	X						0	0	0	
ALAN J SIMPSON MD TRUSTEE	1 0	X						0	0	0	
MARGARET SYKES TRUSTEE	1 0	X						0	0	0	
DOMINIC S MOFFA TRUSTEE-VICE CHAIR SR VP ADMIN	55 0	X		X				0	458,926	121,605	
WALTER A GREINER VP OF FINANCE/CFO	55 0			X				378,768	0	74,609	
MARGARET A BELFIELD CHIEF OPERATING OFFICER	55 0			X				412,028	0	75,771	
MARILUISE VENDITTI MD VP MEDICAL AFFAIRS	55 0			X				422,045	0	83,248	
TERRI LU SCHIEDER VP CLINICAL DEV & INTEGRATION	55 0			X				352,313	0	77,335	
DAVID A DESIMONE ESQ VP GENERAL COUNSEL	55 0			X				0	330,164	72,757	
CHARISSE FIZER VP ADMINISTRATOR-MAINLAND DIV	55 0			X				321,957	0	52,526	
RICHARD D LOVERING VP HUMAN RESOURCES & ORG DEV	55 0			X				0	316,686	71,877	
ROBYN O BEGLEY VP NURSING	55 0			X				306,676	0	58,128	
JOAN MARY BRENNAN VP QUALITY MANAGEMENT	55 0			X				230,082	0	67,660	
MEL A MECK VP MATERIALS MANAGEMENT	55 0			X				195,651	0	58,334	
JULIA DREW CHIEF EXECUTIVE OFFICER	55 0			X				135,989	0	18,615	
JOHN R RIOS CHIEF FINANCIAL OFFICER	55 0			X				121,255	0	27,516	
GLENN ANN STOLL DIRECTOR OF COMMUNICATIONS	55 0			X				4,197	110,877	7,769	
RENE A ZANELOTTI BUNTING VP MARKETING	55 0			X				0	298,074	49,574	

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
DONNA MICHAEL ZIEREIS ESQ ASSOCIATE GENERAL COUNSEL	55 0			X				0	161,610	44,797
GWENDOLYN MEUSBURGER EXECUTIVE DIR AHE (1/1-10/31)	55 0			X				122,459	0	42,055
GEORGE C STOKES SR DIRECTOR/COO	55 0			X				128,245	0	24,804
DONALD J PARKER PRES AH SERVICES (1/1 - 2/13)	55 0			X				175,175	0	15,115
KEVIN T MCDONNELL CHIEF OPERATING OFFICER	55 0			X				184,336	0	39,053
CHRISTOPHER J STEEN ASST VP PHYSICIAN SERVICES	55 0			X				161,101	0	38,278
CHRISTOPHER A SCANZERA VP/CIO ENTERPRISE SYSTEMS	55 0			X				30,560	298,444	55,627
DANIEL MORREALE CIO (1/1-1/30)	55 0			X				26,665	115,904	17,667
ALEXANDER D SHARNOFF ESQ ASSOCIATE LEGAL COUNSEL	55 0			X				0	160,331	33,407
ROMEO PERICIC MD PHYSICIAN - ARMC	55 0					X		635,041	0	49,706
JAVID IQBAL MD PHYSICIAN - ARMC	55 0					X		560,279	0	49,879
PETER N THOMPSON MD PHYSICIAN - ARMC	55 0					X		520,348	0	49,733
ALEXANDER AXELRAD MD PHYSICIAN - ARMC	55 0					X		507,358	0	48,482
CATHERINE A DUDICK MD PHYSICIAN - ARMC	55 0					X		506,288	0	54,314