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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning OCT 1, 2011 **and ending** SEP 30, 2012

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

C Name of organization
BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite
199 REEDSDALE ROAD

City or town, state or country, and ZIP + 4
MILTON, MA 02186

F Name and address of principal officer: JOSEPH V MORRISSEY
SAME AS C ABOVE

D Employer identification number
04-2103604

E Telephone number
(617) 696-4600

G Gross receipts $ 79,815,379.

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW.MILTONHOSPITAL.ORG

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1952

M State of legal domicile: MA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O.

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	21
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	14
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	741
6	Total number of volunteers (estimate if necessary)	6	19
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	30,130.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	9,492.

Revenue

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	227,658.	2,832,476.
9	Program service revenue (Part VIII, line 2g)	66,451,485.	73,766,758.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	620,900.	594,336.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,364,547.	991,826.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	68,664,590.	78,185,396.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	32,445,984.	36,662,586.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	35,757,161.	37,352,720.
18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	68,203,145.	74,015,306.
19	Revenue less expenses Subtract line 18 from line 12	461,445.	4,170,090.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	97,692,407.	125,615,795.
21	Total liabilities (Part X, line 26)	70,481,491.	63,604,676.
22	Net assets or fund balances. Subtract line 21 from line 20	27,210,916.	62,011,119.

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Part II Signature Block

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

Sign Here

▶ Signature of officer Jason Radzevich — Date 8/14/13

▶ JASON RADZEVICH, V.P. FINANCE & CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: CHRISTINE KAWECKI	Preparer's signature: Christine Kawecki	Date: 8/6/13	Check ☐ if self-employed	PTIN: P00743140
Firm's name ▶ DELOITTE TAX LLP			Firm's EIN ▶ 86-1065772	
Firm's address ▶ 2 JERICHO PLAZA, JERICHO, NY 11753			Phone no. 617-742-7788	

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

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

917

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

1 Briefly describe the organization's mission:
SEE SCHEDULE O.

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 [X] 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 [X] 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 $ 33,840,785. including grants of $ _____) (Revenue $ 30,942,439.)
SEE SCHEDULE O.

4b (Code _____) (Expenses $ 21,076,439. including grants of $ _____) (Revenue $ 30,101,039.)
SEE SCHEDULE O.

4c (Code _____) (Expenses $ 5,766,248. including grants of $ _____) (Revenue $ 12,723,280.)
SEE SCHEDULE O.

4d Other program services (Describe in Schedule O.)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ 60,683,472.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25*	24a	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		X
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		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		X
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions).			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b	X	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
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	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V [X]

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	154		
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		X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	741		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a		X	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
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			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
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			X
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			X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	0		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
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?	13a			
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			X
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 line 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 . . . [X]

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 . . . If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a	21		
b	Enter the number of voting members included in line 1a, above, who are independent . .	1b	14		
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		X	
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			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . .	4		X	
5	Did the organization become aware during the year of a significant diversion of the organization's assets? . . .	5			X
6	Did the organization have members or stockholders?	6		X	
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		X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
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			X

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

Section C. Disclosure

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

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

[ ] Own website [ ] Another's website [X] 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 during the tax year.

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

JASON RADZEVICH - (617) 696-4600

MILTON HOSPITAL 199 REEDSDALE RD, MILTON, MA 02186

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) ALEXANDER , BRUCE DIRECTOR	5.00	X						0.	0.	0.
(2) BARRETT, M.D. , GEORGE DIRECTOR	5.00	X						0.	0.	0.
(3) BRADY , MICHAEL J. DIRECTOR & BOARD CHAIR	15.00	X		X				0.	0.	0.
(4) CICHELLO , ANTHONY DIRECTOR	5.00	X						0.	0.	0.
(5) CONLON , KATIE DIRECTOR & CLERK	5.00	X		X				0.	0.	0.
(6) DAVIS, III , FRANK L. DIRECTOR	5.00	X						0.	0.	0.
(7) FALLON , CAROL DIRECTOR	5.00	X						0.	0.	0.
(8) GREENE , DONALD DIRECTOR	5.00	X						0.	0.	0.
(9) HEAVEY , CHRISTOPHER DIRECTOR	5.00	X						0.	0.	0.
(10) HODGMAN , JANE DIRECTOR & VICE CHAIR	5.00	X						0.	0.	0.
(11) KERWIN , MARK DIRECTOR	5.00	X						0.	0.	0.
(12) LEWIS, M.D. , STANLEY M. DIRECTOR	60.00	X						0.	630,431.	62,168.
(13) LONGMAID, M.D. , H. ESTERBROOK DIRECTOR & PRES, MEDICAL STAFF	5.00	X						38,750.	0.	0.
(14) LOONEY, M.D. , JOHN J. DIRECTOR	60.00	X						0.	261,486.	54,998.
(15) MARSANO , MARIO DIRECTOR	5.00	X						0.	0.	0.
(16) MORRISSEY , JOSEPH V. DIRECTOR, PRESIDENT & CEO	60.00	X		X				454,241.	0.	24,301.
(17) NEEDHAM , ELLEN DIRECTOR, TREASURER	5.00	X		X				0.	0.	0.

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) RABKIN, M.D. , MITCHELL DIRECTOR	5.00	X						0.	515,259.	63.
(19) ROSENBERG, M.D. , STUART A. DIRECTOR	60.00	X						0.	752,390.	64,029.
(20) STAPLETON , PATRICK DIRECTOR	5.00	X						0.	0.	0.
(21) TABB, M.D. , KEVIN DIRECTOR	60.00	X						0.	340,423.	4,284.
(22) RADZEVICH , JASON V.P. FINANCE & CFO	60.00			X				221,639.	0.	12,756.
(23) BERRY, M.D. , MICHAEL V. CHIEF, ORTHOPEDICS	10.00				X			30,000.	369,185.	7,534.
(24) SINKEVICH , DORIS VP PAT. CARE/QUAL. & CNO	60.00				X			235,108.	0.	756.
(25) YEATS, M.D. , ASHLEY CHIEF MEDICAL OFFICER	60.00				X			183,910.	0.	37,349.
(26) CAMPBELL , ALEXANDER DIRECTOR HEALTH CARE QUALITY	60.00					X		117,353.	0.	24,883.
1b Sub-total						▶		1,281,001.	2,869,174.	293,121.
c Total from continuation sheets to Part VII, Section A						▶		533,718.	705,486.	156,630.
d Total (add lines 1b and 1c)						▶		1,814,719.	3,574,660.	449,751.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 9

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

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
MEDICAL CARE OF BOSTON MANAGEMENT CORP, 464 HILLSIDE AVE., SUITE 304, NEEDHAM, MA	PHYSICIAN SERVICES	1,692,229.
FARNAM STREET FINANCIAL, 240 PONDVIEW PLAZA, 5850 OPUS PARKWAY, MINNETONKA, MN	LEASE OF MEDICAL EQUIPMENT	971,940.
SOUTH SHORE ANESTHESIA ASSOCIATES, 163 LIBBEY PARKWAY, SUITE 301, WEYMOUTH, MA	ANESTHESIA GROUP	950,000.
PROMUTUAL GROUP P.O.BOX 981024, BOSTON, MA 02298-1024	PRACTICE INSURANCE	787,474.
ARAMARK HEALTHCARE SUPPORT 25271 NETWORK PLACE, CHICAGO, IL 60673-1253	MEDICAL SUPPORT SERVICES	679,698.

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 ▶ 33

SEE PART VII, SECTION A CONTINUATION SHEETS

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

(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			
(27) CRONIN , LYNN DIRECTOR NURSING SERVICES	60.00					X		114,842.	0.	35,381.
(28) FERNANDEZ , JEAN M CHIEF INFORMATION OFFICER	60.00					X		137,029.	0.	25,570.
(29) HARRINGTON , KATHLEEN VP HUMAN RESOURCES	60.00					X		146,218.	0.	10,887.
(30) PAGE , CINDY VP CLINICAL SUPPORT SERVICES	60.00					X		135,629.	0.	26,060.
(31) ZEIDEL, M.D. , MARK L. FORMER DIRECTOR	0.00						X	0.	705,486.	58,732.
Total to Part VII, Section A, line 1c								533,718.	705,486.	156,630.

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e	27,500.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	2,804,976.			
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f			2,832,476.		
Program Service Revenue		Business Code				
	2a NET PATIENT CARE REVEN	623000	72,819,388.	72,819,388.		
	b OTHER ANCILLARY SERVIC	621110	670,286.	670,286.		
	c RELATED ORG RENTAL	900099	277,084.	277,084.		
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a-2f		73,766,758.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		424,312.			424,312.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
		(i) Real	(ii) Personal			
	6a Gross rents	478,030.				
	b Less: rental expenses	290,946.				
	c Rental income or (loss)	187,084.				
	d Net rental income or (loss)			187,084.		187,084.
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory	1,509,061.				
	b Less. cost or other basis and sales expenses	1,339,037.				
	c Gain or (loss)	170,024.				
	d Net gain or (loss)			170,024.		170,024.
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18	a				
	b Less. direct expenses	b				
	c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities See Part IV, line 19	a				
	b Less· direct expenses	b				
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances	a				
	b Less· cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
	Miscellaneous Revenue	Business Code				
	11a ALL OTHER REVENUE	900099	475,525.		30,130.	445,395.
	b CAFETERIA/ VENDING MAC	722210	308,868.			308,868.
	c REBATES AND REFUNDS	900099	20,349.			20,349.
	d All other revenue					
	e **Total.** Add lines 11a-11d		804,742.			
	12 **Total revenue.** See instructions.		78,185,396.	73,766,758.	30,130.	1,556,032.

132009
01-23-12

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				
2	Grants and other assistance to individuals in the United States. See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	838,941.	221,390.	617,551.	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	29,603,263.	25,045,639.	4,557,624.	
8	Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	953,971.	791,796.	162,175.	
9	Other employee benefits	3,073,005.	2,550,594.	522,411.	
10	Payroll taxes	2,193,406.	1,820,527.	372,879.	
11	Fees for services (non-employees)				
a	Management	434,563.		434,563.	
b	Legal	422,164.		422,164.	
c	Accounting	53,450.		53,450.	
d	Lobbying	13,455.	13,455.		
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees	75,000.		75,000.	
g	Other	8,223,157.	6,825,220.	1,397,937.	
12	Advertising and promotion	518,887.		518,887.	
13	Office expenses	12,364,081.	10,756,593.	1,607,488.	
14	Information technology	1,317,322.	1,093,377.	223,945.	
15	Royalties				
16	Occupancy	1,820,318.	1,483,962.	336,356.	
17	Travel	9,683.	2,206.	7,477.	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	26,357.	9,485.	16,872.	
20	Interest	2,229,785.	1,839,410.	390,375.	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	4,964,025.	4,115,510.	848,515.	
23	Insurance	567,551.		567,551.	
24	Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a	BAD DEBT EXPENSE	2,550,473.	2,550,473.	0.	0.
b	OTHER EXPENSES	1,168,318.	969,704.	198,614.	0.
c	UNCOMPENSATED CARE	594,131.	594,131.	0.	0.
d					
e	All other expenses				
25	**Total functional expenses.** Add lines 1 through 24e	74,015,306.	60,683,472.	13,331,834.	0.
26	**Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing			1	810,976.
	2	Savings and temporary cash investments		932,636.	2	23,376.
	3	Pledges and grants receivable, net		181,892.	3	66,378.
	4	Accounts receivable, net		7,707,535.	4	7,032,784.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)			6	
	7	Notes and loans receivable, net		2,772,579.	7	2,263,304.
	8	Inventories for sale or use		1,064,611.	8	1,145,292.
	9	Prepaid expenses and deferred charges		722,826.	9	741,392.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 89,143,320.			
	b	Less: accumulated depreciation	10b 3,483,363.	56,331,144.	10c	85,659,957.
	11	Investments - publicly traded securities			11	
	12	Investments - other securities. See Part IV, line 11		22,135,187.	12	23,971,046.
	13	Investments - program-related. See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11		5,843,997.	15	3,901,290.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		97,692,407.	16	125,615,795.
Liabilities	17	Accounts payable and accrued expenses		10,198,484.	17	8,957,259.
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		40,018,941.	20	27,594,407.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		5,974,673.	23	10,035,657.
	24	Unsecured notes and loans payable to unrelated third parties			24	
	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		14,289,393.	25	17,017,353.
	26	**Total liabilities.** Add lines 17 through 25		70,481,491.	26	63,604,676.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		15,207,097.	27	48,809,305.
	28	Temporarily restricted net assets		9,236,485.	28	10,434,980.
	29	Permanently restricted net assets		2,767,334.	29	2,766,834.
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		27,210,916.	33	62,011,119.
	34	Total liabilities and net assets/fund balances		97,692,407.	34	125,615,795.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	78,185,396.
2	Total expenses (must equal Part IX, column (A), line 25)	2	74,015,306.
3	Revenue less expenses. Subtract line 2 from line 1	3	4,170,090.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	27,210,916.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	30,630,113.
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	62,011,119.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . [X]

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

SCHEDULE A (Form 990 or 990-EZ)

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	Employer identification number
BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.	04-2103604

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 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 from 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 a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2011.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2010.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

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

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 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 section 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 ▶ ☐

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, Part V, line 35c (Proxy Tax), then

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

Name of organization	Employer identification number
BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.	04-2103604

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

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
2 Political expenditures ▶ $
3 Volunteer hours

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

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $
2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $
3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
4a Was a correction made? ☐ Yes ☐ No
b If "Yes," describe in Part IV.

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

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $
2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $
3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ $
4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No
5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV

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

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

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		13,455.
j Total. Add lines 1c through 1i			13,455.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
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 carry over 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) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible 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; Part II-A; and Part II-B, line 1. Also, complete this part for any additional information

PART II-B, LINE 1, LOBBYING ACTIVITIES:

BETH ISRAEL DEACONESS HOSPITAL - MILTON (BID-MILTON) DOES NOT ENGAGE IN ANY DIRECT LOBBYING EFFORTS. HOWEVER, BID-MILTON PAYS DUES TO CERTAIN MEMBERSHIP ORGANIZATIONS, A PIECE OF WHICH MAY BE USED BY SUCH ORGANIZATIONS FOR LOBBYING ACTIVITIES ON BEHALF OF THIS INSTITUTION AND OTHER SIMILARLY SITUATED ORGANIZATIONS. IN ADDITION, BETH ISRAEL

Part IV Supplemental Information *(continued)*

DEACONESS MEDICAL CENTER (BIDMC), BID-MILTON'S SOLE MEMBER, ENGAGED IN SOME LOBBYING EFFORTS ON BEHALF OF ITSELF AND OTHER AFFILIATED NETWORK ENTITIES. LOBBYING COSTS ASSOCIATED WITH THESE COMBINED LOBBYING ACTIVITIES WAS $13,455 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012.

TOTAL LOBBYING EXPENDITURES WERE MINIMAL AND NOT SUBSTANTIAL BASED ON REVENUES.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 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 BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number 04-2103604

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

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

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

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

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

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

2 Complete lines 2a through 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 Tax Year
a Total number of conservation easements	2a	
b Total acreage restricted by conservation easements	2b	
c Number of conservation easements on a certified historic structure included in (a)	2c	
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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 section 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 (ASC 958), 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 (ASC 958), 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 (ASC 958) relating to these items:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	13,725,678.	14,870,910.	13,570,314.	22,702,395.	
b	Contributions					
c	Net investment earnings, gains, and losses	1,017,223.	-603,914.	1,300,596.	-1,050,341.	
d	Grants or scholarships					
e	Other expenditures for facilities and programs		541,318.		8,081,740.	
f	Administrative expenses					
g	End of year balance	14,742,901.	13,725,678.	14,870,910.	13,570,314.	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ _____%
b Permanent endowment ▶ _____%
c Temporarily restricted endowment ▶ _____%

The percentages in lines 2a, 2b, and 2c should equal 100%.

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)	X
(ii)	related organizations	3a(ii)	X
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		6,670,000.		6,670,000.
b	Buildings		72,938,121.	2,405,039.	70,533,082.
c	Leasehold improvements				
d	Equipment		9,073,390.	1,078,324.	7,995,066.
e	Other		461,809.		461,809.
Total.	Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				85,659,957.

Schedule D (Form 990) 2011

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) SHORT TERM INVESTMENTS	10,580,938.	END-OF-YEAR MARKET VALUE
(B) BOARD DESIGNATED INVESTMENTS	245,171.	END-OF-YEAR MARKET VALUE
(C) DONOR RESTRICTED INVESTMENTS	13,144,937.	END-OF-YEAR MARKET VALUE
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶	23,971,046.	

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

(a) Description of investment type	(b) Book value	(c) Method of valuation. Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

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

	(a) Description	(b) Book value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶		

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

1.	(a) Description of liability	(b) Book value
(1)	Federal income taxes	
(2)	PROFESSIONAL LIABILITY	349,930.
(3)	OBLIGATION UNDER CAPITAL LEASE	80,191.
(4)	PENSION LIABILITY	14,690,583.
(5)	ASSET RETIREMENT OBLIGATION	126,817.
(6)	DUE TO THIRD PARTY PAYORS	1,601,826.
(7)	DUE TO AFFILIATES	168,006.
(8)		
(9)		
(10)		
(11)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶		17,017,353.

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

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	78,185,396.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	74,015,306.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	4,170,090.
4	Net unrealized gains (losses) on investments	4	1,860,650.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	28,769,463.
9	Total adjustments (net). Add lines 4 through 8	9	30,630,113.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	34,800,203.

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

1	Total revenue, gains, and other support per audited financial statements			1	82,074,626.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	2d	6,640,247.		
e	Add lines 2a through 2d			2e	6,640,247.
3	Subtract line 2e from line 1			3	75,434,379.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b	2,751,017.		
c	Add lines 4a and 4b			4c	2,751,017.
5	Total revenue. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 12.)*			5	78,185,396.

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

1	Total expenses and losses per audited financial statements			1	79,954,558.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV.)	2d	5,648,308.		
e	Add lines 2a through 2d			2e	5,648,308.
3	Subtract line 2e from line 1			3	74,306,250.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b	-290,944.		
c	Add lines 4a and 4b			4c	-290,944.
5	Total expenses. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 18.)*			5	74,015,306.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; 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.

PART V, LINE 4: BETH ISRAEL DEACONESS HOSPITAL - MILTON'S (BID-MILTON)

ENDOWMENT FUNDS ARE INTENDED TO ENSURE THAT THE BID-MILTON ACCOMPLISHES

ITS CHARITABLE MISSION OF IMPROVING PATIENT HEALTH BY PROVIDING HIGH

QUALITY, PERSONALIZED HEALTH CARE WITH COMPASSION, DIGNITY AND RESPECT IN

A COST EFFECTIVE AND SAFE MANNER IN CLOSE COLLABORATION WITH ITS SOLE

MEMBER, BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC), REGARDLESS OF THE

PATIENT'S ABILITY TO PAY, RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION,

NATIONAL ORIGIN, ANCESTRY, AGE, OR DISABILITY. THE SPECIFIC USES OF THE

Part XIV Supplemental Information *(continued)*

ENDOWMENT VARY DEPENDING ON THE NATURE OF RESTRICTIONS, IF ANY, IMPOSED BY DONORS.

THE BID-MILTON ENDOWMENT CONSISTS OF APPROXIMATELY TEN FUNDS. INVESTMENT INCOME EARNED IS USED FOR HOSPITAL CAPITAL NEEDS, FREE CARE, AND OTHER OPERATING EXPENSES.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

NET TRANSFER FROM AFFILIATES	1,378,415.
EFFECTS OF AFFILIATION	33,971,418.
OTHER CHANGES IN FUND BALANCE	-702,866.
NET ASSETS RELEASED FROM RESTRICTIONS	-79,793.
EMPLOYEE BENEFIT AND RENSION FUNDS	-3,120,824.
RECLASS BETWEEN ENTITIES	-2,676,887.
TOTAL TO SCHEDULE D, PART XI, LINE 8	28,769,463.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

CONSOLIDATED AFFILIATES NET OF ELIMINATIONS	6,612,615.
NET ASSETS RELEASED FROM RESTRICTIONS	27,632.
TOTAL TO SCHEDULE D, PART XII, LINE 2D	6,640,247.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

RENT EXPENSE	-290,946.
RESTRICTED GAIN/LOSSES	55,191.
RESTRICTED INVESTMENT INCOME	181,868.
ROUNDING/INTEREST ON CDS	-72.
RESTRICTED CONTRIBUTIONS	2,804,976.
TOTAL TO SCHEDULE D, PART XII, LINE 4B	2,751,017.

Part XIV Supplemental Information *(continued)*

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

AFFILIATES CONSOLIDATED	5,648,308.

PART XIII, LINE 4B - OTHER ADJUSTMENTS:

RENTAL EXPENSES	-290,946.
ROUNDING	2.
TOTAL TO SCHEDULE D, PART XIII, LINE 4B	-290,944.

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 BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number 04-2103604

Part I Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	X	
b	If "Yes," was it a written policy?	X	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities		
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year		
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: ☐ 100% ☐ 150% ☒ 200% ☐ Other _____ %	X	
b	Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care. ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☒ 400% ☐ Other _____ %	X	
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 used an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.		
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	X	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	X	
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?		X
6a	Did the organization prepare a community benefit report during the tax year?	X	
b	If "Yes," did the organization make it available to the public?	X	

Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			861,756.	161,945.	699,811.	.98%
b Medicaid (from Worksheet 3, column a)			5,231,590.	4,132,430.	1,099,160.	1.54%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			6,093,346.	4,294,375.	1,798,971.	2.52%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			84,295.		84,295.	.12%
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j **Total.** Other Benefits			84,295.		84,295.	.12%
k **Total.** Add lines 7d and 7j			6,177,641.	4,294,375.	1,883,266.	2.64%

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						.00%
2	Economic development						.00%
3	Community support						.00%
4	Environmental improvements						.00%
5	Leadership development and training for community members						.00%
6	Coalition building						.00%
7	Community health improvement advocacy						.00%
8	Workforce development						.00%
9	Other						.00%
10	Total						

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1		X	
2	Enter the amount of the organization's bad debt expense	2	2,250,473.		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy	3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	36,078,493.		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	34,271,666.		
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	1,806,827.		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☒ Cost to charge ratio ☐ Other				

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?			9a	X
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI			9b	X

Part IV Management Companies and Joint Ventures (see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest)

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

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)
1 BETH ISRAEL DEACONESS HOSPITAL -MILTON 199 REEDSDALE ROAD MILTON, MA 02186	X	X					X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of Hospital Facility: BETH ISRAEL DEACONESS HOSPITAL -MILTON

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

Part V Facility Information *(continued)* BETH ISRAEL DEACONESS HOSPITAL -MILTON

			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: 400 % If "No," explain in Part VI the criteria the hospital facility used.	10	X	
11	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply):	11	X	
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[X] Insurance status			
e	[X] Uninsured discount			
f	[X] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	X	
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).	13	X	
a	[ ] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to billing invoices			
c	[ ] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[ ] The policy was posted in the hospital facility's admissions offices			
e	[ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[ ] The policy was available on request			
g	[X] Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	X	
15	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine patient's eligibility under the facility's FAP:			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged:	16		X
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[ ] Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply)			
a	[ ] Notified patients of the financial assistance policy on admission			
b	[ ] Notified patients of the financial assistance policy prior to discharge			
c	[ ] Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	[ ] Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
e	[ ] Other (describe in Part VI)			

Part V Facility Information *(continued)* BETH ISRAEL DEACONESS HOSPITAL -MILTON

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?	X	

If "No," indicate why:

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility's policy was not in writing
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d ☐ Other (describe in Part VI)

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

- a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d ☒ Other (describe in Part VI)

20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI.		X
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient? If "Yes," explain in Part VI.		X

Part V Facility Information *(continued)*

Section C. Other Health Care 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 health care facilities did the organization operate during the tax year? 0

Name and address	Type of Facility (describe)

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

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

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

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

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

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

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

PART I, LINE 3C: FLAT 30% OF CHARGE DISCOUNT.

PART I, LINE 7: FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS - CHARITY CARE AND MEANS TESTED GOVERNMENT PROGRAMS

FINANCIAL ASSISTANCE

BID-MILTON'S NET COST OF CHARITY CARE, INCLUDING CARE FOR EMERGENT SERVICES PROVIDED TO NON-PAYING PATIENTS AND INCLUDING PAYMENTS TO THE HEALTH SAFETY NET TRUST, WAS $699,811 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012 AND HAS BEEN REPORTED ON THIS SCHEDULE H, PART I, LINE 7A. THE MEDICAL CENTER, WHICH AS PREVIOUSLY NOTED IS THE SOLE MEMBER OF BID-MILTON, PROVIDED AN ADDITIONAL $18,590,587 OF CHARITY CARE AT COST WHICH IS REPORTED ON THE MEDICAL CENTER FORM 990, SCHEDULE H, PART I, LINE 7A.

HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER (HMFP) AND MEDICAL CARE OF BOSTON MANAGEMENT CORP, D/B/A AFFILIATED PHYSICIAN'S GROUP (APG) ARE BOTH ENTITIES EXEMPT FROM INCOME TAX UNDER

Part VI Supplemental Information

SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. HMFP IS THE DEDICATED PHYSICIAN PRACTICE OF THE MEDICAL CENTER. THE OPERATIONS OF HMFP AND THE ENTITIES FOR WHICH HMFP SERVES AS MEMBER ARE INTEGRALLY RELATED TO THE MEDICAL CENTER'S ACCOMPLISHMENTS OF ITS PURPOSES. IN ADDITION, THE MEDICAL CENTER SERVES AS THE SOLE MEMBER OF APG. HMFP AND ITS AFFILIATES, AS WELL AS APG, ARE INTEGRALLY RELATED TO BID-MILTON AND TO SERVING THE COMMUNITIES SERVED BY BID-MILTON. AS PART OF THIS RELATIONSHIP, HMFP PATIENTS WHO MEET THE FREE CARE CRITERIA OF THE MEDICAL CENTER ARE PROVIDED FREE CARE AT HMFP AND ITS AFFILIATED ENTITIES. DURING THE FISCAL PERIOD COVERED BY THIS FILING, HMFP AND ITS AFFILIATED ENTITIES PROVIDED ADDITIONAL NET FREE CARE TO PATIENTS IN THE AMOUNT OF $4,032,974. SEE ADDITIONAL INFORMATION BELOW IN THIS SCHEDULE H NARRATIVE.

PART I, LN 7 COL(F): IN ADDITION TO CHARITY CARE AND SHORTFALLS IN PROVIDING SERVICES TO PATIENTS INSURED UNDER STATE AND FEDERAL PROGRAMS, BID-MILTON ALSO INCURS LOSSES RELATED TO SELF-PAY PATIENTS WHO FAIL TO MAKE PAYMENTS FOR SERVICES OR INSURED PATIENTS WHO FAIL TO PAY COINSURANCE OR DEDUCTIBLES FOR WHICH THEY ARE RESPONSIBLE UNDER INSURANCE CONTRACTS. BAD DEBT EXPENSE IS INCLUDED IN UNCOMPENSATED CARE EXPENSE IN THE CONSOLIDATED FINANCIAL STATEMENTS, AND INCLUDES THE PROVISION FOR ACCOUNTS ANTICIPATED TO BE UNCOLLECTIBLE. CHARGES FOR THOSE SERVICES DURING THE FISCAL PERIOD COVERED BY THIS FILING OF $2,550,473 WERE REPORTED AS BAD DEBT ON FORM 990 PART IX, LINE 24A FUNCTIONAL EXPENSES.

BIDMC SIMILARLY INCURS BAD DEBT LOSSES AND INCLUDES THE PROVISION FOR ACCOUNTS ANTICIPATED TO BE UNCOLLECTIBLE IN ITS FINANCIAL STATEMENTS. BIDMC CHARGES FOR THOSE SERVICES WERE $26,869,425 DURING THE FISCAL PERIOD COVERED BY THIS FILING AS REPORTED IN THE FINANCIAL STATEMENTS AND AS

Part VI Supplemental Information

REPORTED ON THE BIDMC FORM 990 PART IX, FUNCTIONAL EXPENSES.

AS REQUIRED BY THE INSTRUCTIONS TO THIS FORM 990 SCHEDULE H, LOSSES RELATED TO BAD DEBTS HAVE NOT BEEN INCLUDED IN THE CALCULATION OF FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS IN SCHEDULE H PART I LINE 7. RATHER IT HAS BEEN SEPARATELY REPORTED IN SCHEDULE H PART III AS REQUIRED.

THE PERCENTAGES CALCULATED IN PART I LINE 7 COLUMN F WERE BASED ON EACH ITEM OF COMMUNITY BENEFIT AS REQUIRED AS A PERCENTAGE OF TOTAL EXPENSES REPORTED IN PART IX OF THIS FORM 990 DECREASED BY THE BAD DEBT EXPENSE BASED ON CHARGES ALSO REPORTED IN THE PART IX OF THIS FORM 990.

PART II: COMMUNITY HEALTH NEEDS ASSESSMENT - INTERNAL REVENUE CODE SECTION 501(R)

INTERNAL REVENUE CODE SECTION 501(R), ENACTED AS PART OF THE PATIENT PROTECTION AND AFFORDABLE CARE ACT, REQUIRES EACH HOSPITAL TO COMPLETE A COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) AND TO FORMALLY ADOPT AN IMPLEMENTATION STRATEGY PURSUANT TO FEDERAL GUIDELINES, IN ORDER MAINTAIN ITS TAX EXEMPT STATUS AS A HOSPITAL UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. THE HOSPITAL IS REQUIRED TO HAVE AND WILL HAVE COMPLETED THIS PROCESS ON OR BEFORE SEPTEMBER 30, 2013.

THE HOSPITAL HAS HISTORICALLY CONDUCTED PERIODIC COMMUNITY HEALTH NEEDS ASSESSMENTS PURSUANT TO MASSACHUSETTS REGULATION IN ORDER TO ASCERTAIN THE NEEDS OF ITS COMMUNITIES AND THE DETAIL PROVIDED HEREIN RELATES TO THAT REVIEW PROCESS.

CHARITY CARE AND CERTAIN OTHER COMMUNITY BENEFITS - GRADUATE MEDICAL

Part VI Supplemental Information

EDUCATION

AS NOTED THROUGHOUT THIS FORM 990, BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC OR MEDICAL CENTER) IS THE SOLE MEMBER OF BETH ISRAEL DEACONESS HOSPITAL - MILTON (BID-MILTON). ALTHOUGH BID-MILTON DOES NOT PARTICIPATE DIRECTLY IN RESIDENT AND FELLOW TRAINING PROGRAMS WHICH ARE OPERATED AT BIDMC, THE PROVISION OF GRADUATE MEDICAL EDUCATION IS AN IMPORTANT COMMUNITY BENEFIT PROVIDED BY BID-MILTON'S NETWORK OF AFFILIATED ENTITIES.

BIDMC'S DEVOTION TO TEACHING, RESPECT FOR STUDENTS/TRAINEES, AND WILLINGNESS TO EMBRACE TECHNOLOGICAL AND CLINICAL PRACTICE INNOVATION MAKE BIDMC A TOP CHOICE AMONG MEDICAL STUDENTS AND HEALTH CARE PROFESSIONALS. BIDMC TRAINS HUNDREDS OF MEDICAL STUDENTS, INTERNS AND RESIDENTS, AS WELL AS PROFESSIONALS IN NURSING, SOCIAL WORK AND THE ALLIED HEALTH SCIENCES. THE MEDICAL CENTER HAS 40 APPROVED CLINICAL RESIDENCY AND FELLOWSHIP PROGRAMS WITH APPROXIMATELY 560 RESIDENTS AND CLINICAL FELLOWS. IN ADDITION, THE MEDICAL CENTER HAS APPROXIMATELY 40 NONSTANDARD CLINICAL FELLOWSHIP PROGRAMS WITH OVER 100 TRAINEES PER YEAR.

STAFF PHYSICIANS AT BIDMC WHO HOLD FACULTY APPOINTMENTS AT HARVARD MEDICAL SCHOOL INSTRUCT THE DOCTORS OF TOMORROW THROUGH SUPERVISION OF THEIR DAILY PATIENT CARE AND A RANGE OF INTERACTIVE LEARNING EXPERIENCES.

DURING THE FISCAL YEAR COVERED BY THIS FILING, THE MEDICAL CENTER HAD NET EXPENDITURES OF $67,650,485 REPORTED ON ITS SCHEDULE H, PART I, LINE 7F RELATED TO THE MEDICAL CENTER'S TEACHING FUNCTION WHICH REPRESENTED 5.14% OF THE MEDICAL CENTER'S TOTAL EXPENSES, ADJUSTED FOR BAD DEBT EXPENSE AS NOTED ABOVE.

Part VI Supplemental Information

ADDITIONAL DETAIL ON THE MEDICAL CENTER'S GRADUATE MEDICAL EDUCATION PROGRAMS IS BELOW.

RESIDENCY PROGRAMS

THE MEDICAL CENTER SPONSORS ACCREDITATION COUNCIL FOR GRADUATE MEDICAL EDUCATION (ACGME) APPROVED RESIDENCY PROGRAMS IN EACH OF THE CORE CLINICAL TRAINING PROGRAMS LISTED BELOW, AS WELL AS PSYCHIATRY.

CORE CLINICAL TRAINING PROGRAMS

THE MEDICAL CENTER SPONSORS CORE CLINICAL TRAINING PROGRAMS IN THE FOLLOWING FIELDS:

- ANESTHESIOLOGY
- EMERGENCY MEDICINE
- INTERNAL MEDICINE
- NEUROLOGY
- OBSTETRICS AND GYNECOLOGY
- PATHOLOGY
- RADIOLOGY
- SURGERY

FELLOWSHIP PROGRAMS

IN ADDITION TO THE RESIDENT TRAINING PROGRAMS LISTED ABOVE, THE MEDICAL CENTER SPONSORS A WIDE VARIETY OF FELLOWSHIP TRAINING PROGRAMS FOR ELIGIBLE DOCTORS WHO HAVE COMPLETED THEIR RESIDENCY AND WANT TO ENGAGE IN MORE SPECIALIZED STUDY. THE MAJORITY OF THESE PROGRAMS (37 OF 44) ARE ACGME APPROVED OR APPROVED BY A COMPARABLE BODY RELATED TO THE PARTICULAR SUBSPECIALTY. THE MEDICAL CENTER SPONSORS THE FOLLOWING FELLOWSHIP PROGRAMS:

Part VI Supplemental Information

ANESTHESIA

- CARDIOTHORACIC ANESTHESIA
- CRITICAL CARE MEDICINE ANESTHESIA
- PAIN MANAGEMENT

DERMATOLOGY

- DERMATOLOGY

MEDICINE

- CARDIOVASCULAR DISEASE
- CLINICAL CARDIAC ELECTROPHYSIOLOGY
- INTERVENTIONAL CARDIOLOGY
- CLINICAL INVESTIGATOR TRAINING PROGRAM
- ENDOCRINOLOGY, DIABETES, AND METABOLISM
- GASTROENTEROLOGY
- TRANSPLANT HEPATOLOGY
- GENERAL MEDICINE
- GERIATRIC MEDICINE-GERONTOLOGY
- HEMATOLOGY / ONCOLOGY
- INFECTIOUS DISEASE
- NEPHROLOGY
- INTERVENTIONAL PULMONARY
- PULMONARY, CRITICAL CARE
- RHEUMATOLOGY
- SLEEP MEDICINE

NEONATOLOGY

Part VI Supplemental Information

- NEONATAL-PERINATAL

NEUROLOGY

- NEUROLOGY
- NEUROMUSCULAR MEDICINE
- VASCULAR NEUROLOGY
- CLINICAL NEUROPHYSIOLOGY
- EEG AND AUTONOMIC DISORDERS

OBSTETRICS AND GYNECOLOGY

- REPRODUCTIVE ENDOCRINOLOGY
- MATERNAL FETAL MEDICINE

PATHOLOGY

- CYTOPATHOLOGY
- DERMATOPATHOLOGY
- HEMATOPATHOLOGY
- SELECTIVE PATHOLOGY
- MEDICAL MICROBIOLOGY

RADIATION ONCOLOGY

- RADIATION ONCOLOGY

RADIOLOGY

- RADIOLOGY

SURGERY

- CARDIOTHORACIC SURGERY

Part VI Supplemental Information

- CRITICAL CARE SURGERY

- MINIMALLY INVASIVE SURGERY

- ORTHOPAEDIC SPINE

- PODIATRY

- SOLID ORGAN SURGERY-TRANSPLANT

- PLASTIC/HAND SURGERY

- ORTHOPAEDIC HAND SURGERY

- VASCULAR SURGERY

UROLOGY

- UROLOGY

PART III, LINE 8: OTHER UNCOMPENSATED CHARITY CARE - MEDICAID AND MEDICARE

IN ADDITION TO THE CHARITY CARE REPORTED ABOVE, BID-MILTON ALSO PROVIDES CARE TO PATIENTS WHO PARTICIPATE IN OTHER PROGRAMS DESIGNED TO SUPPORT LOW INCOME FAMILIES, INCLUDING PARTICULARLY THE MEDICAID PROGRAM, WHICH IS JOINTLY FUNDED BY FEDERAL AND STATE GOVERNMENTS. THE MASSACHUSETTS HEALTH REFORM LAW PROVIDED AN INITIATIVE FOR EXPANSION OF MEDICAID COVERAGE TO GREATER POPULATIONS AND FOR ENROLLMENT OF UNINSURED PATIENTS IN OTHER INSURANCE PROGRAMS. PAYMENTS FROM MEDICAID AND OTHER PROGRAMS WHICH INSURE LOW INCOME POPULATIONS DO NOT COVER THE COST OF SERVICES PROVIDED.

DURING THE FISCAL PERIOD COVERED BY THIS FILING, 9.34% OR 7,798 OF BID-MILTON'S PATIENT ENCOUNTERS WERE WITH MEDICAID PATIENTS. THIS TRANSLATED TO $4,132,430 IN MEDICAID REVENUE WHICH WAS LESS THAN THE COST OF CARE PROVIDED BY BID-MILTON FOR SUCH SERVICES BY $1,099,160 AS REPORTED ON THIS SCHEDULE H, PART I LINE 1B. IN ADDITION 20.7% OR 214,666 OF THE

Part VI Supplemental Information

MEDICAL CENTER'S PATIENT ENCOUNTERS WERE WITH MEDICAID PATIENTS. THIS TRANSLATED TO AN ADDITIONAL $26,449,283 IN UNCOVERED COST BORNE BY BIDMC IN PROVIDING CARE TO MEDICAID PATIENTS. AS PREVIOUSLY NOTED, THIS ADDITIONAL COST IS NOT QUANTIFIED IN THE BID-MILTON SCHEDULE H.

MEDICARE IS THE FEDERALLY SPONSORED HEALTH INSURANCE PROGRAM FOR ELDERLY OR DISABLED PATIENTS AND BIDN PROVIDES CARE TO PATIENTS WHO PARTICIPATE IN THE MEDICARE PROGRAM. DURING THE FISCAL PERIOD COVERED BY THIS FILING, 35.32% OR 29,493 OF BID-MILTON'S PATIENT ENCOUNTERS WERE WITH MEDICARE PATIENTS. THIS TRANSLATED TO $36,078,492.62IN MEDICARE REVENUE.

BIDMC SIMILARLY PROVIDES CARE TO PATIENTS WHO PARTICIPATE IN THE MEDICARE PROGRAM. DURING THE FISCAL PERIOD COVERED BY THIS FILING, 29.6% OR 306,216 OF THE MEDICAL CENTER'S PATIENT ENCOUNTERS WERE WITH MEDICARE PATIENTS. BIDMC REVENUE COLLECTED FROM PROVIDING THIS PATIENT CARE WAS $313,507,085 WHICH WAS LESS THAN THE COST OF SERVICES PROVIDED BY $5,937,966.

PART III, LINE 9B: CREDIT AND COLLECTION POLICY GUIDING PRINCIPLES

BID-MILTON ASSISTS PATIENTS IN OBTAINING FINANCIAL ASSISTANCE FROM PUBLIC PROGRAMS AND OTHER SOURCES WHENEVER APPROPRIATE. TO REMAIN VIABLE AS IT FULFILLS ITS MISSION, BID-MILTON MUST MEET ITS FIDUCIARY RESPONSIBILITY TO APPROPRIATELY BILL AND COLLECT FOR MEDICAL SERVICES PROVIDED TO PATIENTS.

THE BID-MILTON CREDIT AND COLLECTION POLICY WHICH APPLIES TO THE HOSPITAL IS DESIGNED TO COMPLY WITH BOTH THE MASSACHUSETTS HEALTH SAFETY NET REGULATIONS ON CREDIT AND COLLECTION POLICIES, THE CENTERS FOR MEDICARE AND MEDICAID SERVICES MEDICARE BAD DEBT REQUIREMENTS, THE MEDICARE PROVIDER REIMBURSEMENT MANUAL AND THE FEDERAL HEALTHCARE REFORM LAW'S

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"FINANCIAL ASSISTANCE POLICY" FOR WHICH THE IRS HAD PROVIDED PRELIMINARY GUIDANCE AT THE TIME THE BID-MILTON FINALIZED THIS POLICY. BID-MILTON CONTINUES TO MONITOR GUIDANCE FROM THE IRS AS IT IS ISSUED.

BID-MILTON DOES NOT DISCRIMINATE ON THE BASIS OF RACE, COLOR, NATIONAL ORIGIN, CITIZENSHIP, ALIENAGE, RELIGION, CREED, SEX, SEXUAL ORIENTATION, DISABILITY, OR AGE IN ITS POLICIES OR IN ITS APPLICATION OF POLICIES CONCERNING THE ACQUISITION AND VERIFICATION OF FINANCIAL INFORMATION, PRE-ADMISSION OR PRE-TREATMENT DEPOSITS, PAYMENT PLANS, DEFERRED OR REJECTED ADMISSIONS, LOW INCOME PATIENT STATUS AS DETERMINED BY THE MASSACHUSETTS EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES, DETERMINATION THAT A PATIENT IS LOW-INCOME, OR IN ITS BILLING AND COLLECTION PRACTICES.

CREDIT AND COLLECTION POLICY - ELIGIBILITY FOR FINANCIAL ASSISTANCE PROGRAM

BID-MILTON PROVIDES PATIENTS WITH INFORMATION ABOUT FINANCIAL ASSISTANCE PROGRAMS THAT ARE AVAILABLE THROUGH THE COMMONWEALTH OF MASSACHUSETTS OR OTHER AVAILABLE PROGRAMS FOR WHICH THE PATIENT MAY BE ELIGIBLE, WHICH MAY COVER ALL OR SOME OF THEIR UNPAID HOSPITAL BILL.

FOR PATIENTS THAT REQUEST SUCH ASSISTANCE, THE HOSPITAL ASSISTS THEM BY SCREENING FOR ELIGIBILITY IN AN AVAILABLE PUBLIC PROGRAM AND ASSISTING THEM IN APPLYING FOR THE PROGRAM. THESE PROGRAMS INCLUDE, BUT ARE NOT LIMITED TO: MASSHEALTH, COMMONWEALTH CARE, CHILDREN'S MEDICAL SECURITY PLAN, HEALTHY START, HEALTH SAFETY NET, AND OTHERS. WHEN APPLICABLE THE HOSPITAL MAY ALSO ASSIST PATIENTS IN APPLYING FOR COVERAGE OF SERVICES AS A MEDICAL HARDSHIP BASED ON THE PATIENT'S DOCUMENTED FAMILY INCOME, CURRENT AND PRIOR INSURANCE COVERAGE AND ALLOWABLE MEDICAL EXPENSES.

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IT IS THE PATIENT'S OBLIGATION TO PROVIDE THE FINANCIAL COUNSELORS WITH ACCURATE AND TIMELY INFORMATION REGARDING THEIR FULL NAME, ADDRESS, TELEPHONE NUMBER, DATE OF BIRTH, SOCIAL SECURITY NUMBER (IF AVAILABLE), CURRENT HEALTH INSURANCE COVERAGE OPTIONS, INCLUDING OTHER INSURANCE OR COVERAGE OPTIONS (SUCH AS MOTOR VEHICLE POLICY OR WORKER'S COMPENSATION POLICY) THAT CAN COVER THE COST OF THE CARE RECEIVED AND ANY OTHER APPLICABLE FINANCIAL RESOURCES, AND CITIZENSHIP AND RESIDENCY INFORMATION. THIS INFORMATION IS USED TO DETERMINE IF THE PATIENT IS ELIGIBLE TO APPLY FOR CERTAIN HEALTH INSURANCE PROGRAMS. IF THERE IS NO SPECIFIC COVERAGE FOR THE SERVICES PROVIDED, THE HOSPITAL WILL USE THE INFORMATION TO DETERMINE IF THE SERVICES MAY BE COVERED BY AN APPLICABLE PROGRAM THAT WILL COVER CERTAIN SERVICES DEEMED BAD DEBT.

IN ADDITION, THE HOSPITAL WILL USE THIS INFORMATION TO DISCUSS ELIGIBILITY FOR CERTAIN HEALTH INSURANCE PROGRAMS.

THE SCREENING AND APPLICATION PROCESS FOR A PUBLIC HEALTH INSURANCE PROGRAM IS DONE THROUGH THE VIRTUAL GATEWAY, WHICH IS AN INTERNET PORTAL DESIGNED BY THE MASSACHUSETTS EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES IN ORDER TO PROVIDE THE GENERAL PUBLIC, MEDICAL PROVIDERS, AND COMMUNITY-BASED ORGANIZATIONS WITH AN ONLINE APPLICATION FOR THE PROGRAMS OFFERED BY THE STATE OR THROUGH A STANDARD PAPER APPLICATION THAT IS COMPLETED BY THE PATIENT AND ALSO SUBMITTED DIRECTLY TO THE MASSACHUSETTS EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES FOR PROCESSING AS THIS OFFICE SOLELY MANAGES THE APPLICATION PROCESS LISTED ABOVE, WHICH IS AVAILABLE FOR CHILDREN, ADULTS, SENIORS, VETERANS, HOMELESS, AND DISABLED INDIVIDUALS.

IN SPECIAL CIRCUMSTANCES, THE HOSPITAL MAY APPLY FOR THE PATIENT USING

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A SPECIFIC FORM DESIGNED BY THE MASSACHUSETTS DIVISION OF HEALTH CARE FINANCE AND POLICY. SPECIAL CIRCUMSTANCES INCLUDE INDIVIDUALS SEEKING FINANCIAL ASSISTANCE COVERAGE DUE TO BEING INCARCERATED, VICTIMS OF SPOUSAL ABUSE, OR APPLYING DUE TO A MEDICAL HARDSHIP. IN SPECIAL CIRCUMSTANCES, THE HOSPITAL MAY APPLY FOR THE PATIENT FOR ELIGIBILITY IN THE HEALTH SAFETY NET PROGRAM USING A SPECIFIC FORM DESIGNED BY THE MASSACHUSETTS DIVISION OF HEALTH CARE FINANCE AND POLICY. SPECIAL CIRCUMSTANCES INCLUDE INDIVIDUALS SEEKING FINANCIAL ASSISTANCE COVERAGE DUE TO BEING INCARCERATED, VICTIMS OF SPOUSAL ABUSE, OR APPLYING DUE TO A MEDICAL HARDSHIP.

THE HOSPITAL SPECIFICALLY ASSISTS THE PATIENT IN COMPLETING THE APPLICATION AND SECURING THE NECESSARY DOCUMENTATION REQUIRED BY THE APPLICABLE FINANCIAL ASSISTANCE PROGRAM. NECESSARY DOCUMENTATION INCLUDES PROOF OF: (1) ANNUAL HOUSEHOLD INCOME (PAYROLL STUBS, RECORD OF SOCIAL SECURITY PAYMENTS, AND A LETTER FROM THE EMPLOYER, TAX RETURNS, OR BANK STATEMENTS), (2) CITIZENSHIP AND IDENTITY, AND (3) IMMIGRATION STATUS FOR NON-CITIZENS (IF APPLICABLE), AND (4) ASSETS OF THOSE INDIVIDUALS WHO ARE ALSO ENROLLED IN THE MEDICARE PROGRAM.

THE HOSPITAL WILL THEN SUBMIT THIS DOCUMENTATION TO THE MASSACHUSETTS EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES AND ASSIST THE PATIENT IN SECURING ANY ADDITIONAL DOCUMENTATION IF SUCH IS REQUESTED BY THE COMMONWEALTH AFTER COMPLETING THE APPLICATION. THE COMMONWEALTH PLACES A THREE DAY TIME LIMITATION ON SUBMITTING ALL NECESSARY DOCUMENTATION FOLLOWING THE SUBMISSION OF THE APPLICATION FOR A PROGRAM. FOLLOWING THIS THREE DAY PERIOD, THE PATIENT MUST WORK WITH THE MASSHEALTH ENROLLMENT CENTERS TO SECURE THE ADDITIONAL DOCUMENTATION NEEDED FOR

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ENROLLMENT IN THE APPLICABLE FINANCIAL ASSISTANCE PROGRAM.

IN SPECIAL CIRCUMSTANCES, THE HOSPITAL MAY APPLY FOR THE PATIENT FOR ELIGIBILITY IN THE HEALTH SAFETY NET PROGRAM USING A SPECIFIC FORM DESIGNED BY THE MASSACHUSETTS DIVISION OF HEALTH CARE FINANCE AND POLICY. SPECIAL CIRCUMSTANCES INCLUDE INDIVIDUALS SEEKING FINANCIAL ASSISTANCE COVERAGE DUE TO BEING INCARCERATED, VICTIMS OF SPOUSAL ABUSE, OR APPLYING DUE TO A MEDICAL HARDSHIP.

ALL VIRTUAL GATEWAY APPLICATIONS ARE REVIEWED AND PROCESSED BY THE MASSACHUSETTS EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES WHICH USES THE FEDERAL POVERTY GUIDELINES, ASSET INFORMATION AS WELL AS NECESSARY DOCUMENTATION LISTED ABOVE AS THE BASIS FOR DETERMINING ELIGIBILITY FOR STATE SPONSORED PUBLIC ASSISTANCE PROGRAMS.

BID-MILTON HAS NO ROLE IN THE DETERMINATION OF PROGRAM ELIGIBILITY MADE BY THE COMMONWEALTH, BUT AT THE PATIENT'S REQUEST MAY TAKE A DIRECT ROLE IN APPEALING OR SEEKING INFORMATION RELATED TO THE COVERAGE DECISIONS. IT IS STILL THE PATIENT'S RESPONSIBILITY TO INFORM THE HOSPITAL OF ALL COVERAGE DECISIONS MADE BY THE COMMONWEALTH TO ENSURE ACCURATE AND TIMELY ADJUDICATION OF ALL HOSPITAL BILLS.

BID-MILTON NOTIFIES ITS PATIENTS ABOUT ITS FINANCIAL ASSISTANCE POLICY THROUGH SUMMARY POSTINGS IN THE EMERGENCY DEPARTMENT AND WITHIN PATIENT FINANCIAL SERVICES. IN ADDITION, EACH PATIENT'S STATEMENT INCLUDES INFORMATION REFERRING PATIENTS TO BID-MILTON'S FINANCIAL COUNSELORS FOR SUPPORT IN APPLYING FOR FINANCIAL ASSISTANCE PROGRAMS THAT ARE AVAILABLE THROUGH THE COMMONWEALTH OF MASSACHUSETTS OR OTHER AVAILABLE

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PROGRAMS FOR WHICH THE PATIENT MAY BE ELIGIBLE, INCLUDING MEDICAL HARDSHIP, AND WHICH MAY COVER ALL OR SOME OF THEIR UNPAID HOSPITAL BILL. THE FULL BID-MILTON CREDIT AND COLLECTION POLICY IS AVAILABLE FROM BID-MILTON FINANCIAL COUNSELORS.

CREDIT AND COLLECTION POLICY - BID-MILTON STANDARD COLLECTION PRACTICES

AS PREVIOUSLY NOTED IN THIS FORM 990 SCHEDULE H, PART III, SECTION C, LINE 19, BID-MILTON ASSISTS PATIENTS IN OBTAINING FINANCIAL ASSISTANCE FROM PUBLIC PROGRAMS AND OTHER SOURCES WHENEVER APPROPRIATE. ADDITIONALLY, TO REMAIN VIABLE AS IT FULFILLS ITS MISSION, THE HOSPITAL MUST MEET ITS FIDUCIARY RESPONSIBILITY TO APPROPRIATELY BILL AND COLLECT FOR MEDICAL SERVICES PROVIDED TO PATIENTS. AS SUCH, THE HOSPITAL HAS A FIDUCIARY DUTY TO SEEK REIMBURSEMENT FOR SERVICES IT HAS PROVIDED FROM INDIVIDUALS WHO ARE ABLE TO PAY, FROM THIRD PARTY INSURERS WHO COVER THE COST OF CARE, AND FROM OTHER PROGRAMS OF ASSISTANCE FOR WHICH THE PATIENT IS ELIGIBLE. TO DETERMINE WHETHER A PATIENT IS ABLE TO PAY FOR THE SERVICES PROVIDED AS WELL AS TO ASSIST THE PATIENT IN FINDING ALTERNATIVE COVERAGE OPTIONS IF THEY ARE UNINSURED OR UNDERINSURED, BID-MILTON HAS ESTABLISHED CRITERIA RELATED TO BILLING AND COLLECTING FROM PATIENTS.

BID-MILTON MAKES THE SAME REASONABLE EFFORT AND FOLLOWS THE SAME REASONABLE PROCESS FOR COLLECTING ON BILLS OWED BY AN UNINSURED PATIENT AS IT DOES FOR ALL OTHER PATIENTS. THE HOSPITAL WILL FIRST SHOW THAT IT HAS A CURRENT UNPAID BALANCE THAT IS RELATED TO SERVICES PROVIDED TO THE PATIENT AND NOT COVERED BY A PRIVATE INSURER OR A FINANCIAL ASSISTANCE PROGRAM. BID-MILTON ALSO HAS ESTABLISHED CRITERIA RELATED TO BILLING AND COLLECTING FROM PATIENTS.

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BID-MILTON AND/OR ITS AGENTS DO NOT CHARGE INTEREST ON AN OVERDUE BALANCE FOR A LOW INCOME PATIENT OR ANY OTHER PATIENT.

BID-MILTON FOLLOWS THE MASSACHUSETTS MEDICAL HARDSHIP INCOME LEVELS AND PERCENTAGES IN DETERMINING FINANCIAL ASSISTANCE ELIGIBILITY. THERE ARE NO INCOME LIMITS FOR MEDICAL HARDSHIP. MASSACHUSETTS RESIDENTS AT ALL INCOME LEVELS ARE ELIGIBLE IF A PATIENT'S FAMILY ALLOWED MEDICAL BILLS ARE HIGHER THAN A SPECIFIED SLIDING SCALE PERCENTAGE OF FAMILY INCOME.

CREDIT AND COLLECTION POLICY - OUTSIDE COLLECTION AGENCIES

BID-MILTON CONTRACTS WITH OUTSIDE COLLECTION AGENCIES TO ASSIST IN THE COLLECTION OF CERTAIN ACCOUNTS, INCLUDING PATIENT RESPONSIBLE AMOUNTS NOT RESOLVED AFTER ISSUANCE OF HOSPITAL BILLS OR FINAL NOTICES. HOWEVER, AS DETERMINED THROUGH THE BID-MILTON'S CREDIT AND COLLECTION POLICY, THE HOSPITAL MAY ASSIGN SUCH DEBT AS BAD DEBT OR CHARITY CARE (OTHERWISE DEEMED AS UNCOLLECTIBLE) PRIOR TO 120 DAYS IF IT IS ABLE TO DETERMINE THAT THE PATIENT WAS UNABLE TO PAY FOLLOWING THE HOSPITALS' OWN INTERNAL FINANCIAL ASSISTANCE PROGRAM.

BID-MILTON HAS A SPECIFIC AUTHORIZATION OR CONTRACT WITH ITS OUTSIDE COLLECTION AGENCIES AND REQUIRES SUCH AGENCIES TO ABIDE BY THE HOSPITAL'S CREDIT AND COLLECTION POLICIES FOR DEBTS THAT THE AGENCY IS PURSUING, INCLUDING THE OBLIGATION TO REFRAIN FROM "EXTRAORDINARY COLLECTION ACTIVITIES" UNTIL SUCH TIME AS THE HOSPITAL HAS MADE A REASONABLE EFFORT AND FOLLOWED A REASONABLE PROCESS FOR DETERMINING THAT A PATIENT IS ENTITLED TO ASSISTANCE OR EXEMPTION FROM ANY COLLECTION OR BILLING PROCEDURES UNDER THE HOSPITAL'S CREDIT AND

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COLLECTION POLICY. ALL OUTSIDE COLLECTION AGENCIES HIRED BY THE HOSPITAL WILL PROVIDE THE PATIENT WITH AN OPPORTUNITY TO FILE A GRIEVANCE AND WILL FORWARD TO THE HOSPITAL THE RESULTS OF SUCH PATIENT GRIEVANCES. THE HOSPITAL REQUIRES THAT ANY OUTSIDE COLLECTION AGENCY THAT IT USES IS LICENSED BY THE COMMONWEALTH OF MASSACHUSETTS AND THAT THE OUTSIDE COLLECTION AGENCY ALSO IS IN COMPLIANCE WITH THE MASSACHUSETTS ATTORNEY GENERAL'S DEBT COLLECTION REGULATIONS.

CREDIT AND COLLECTION POLICY - EXEMPTION FROM BID-MILTON COLLECTION PRACTICES

BID-MILTON EXEMPTS PATIENTS ENROLLED IN A PUBLIC HEALTH INSURANCE PROGRAM, INCLUDING BUT NOT LIMITED TO, MASSHEALTH, EMERGENCY AID TO THE ELDERLY, DISABLED AND CHILDREN, HEALTHY START, CHILDREN'S MEDICAL SECURITY PLAN AND LOW INCOME PATIENTS" AS DETERMINED BY THE OFFICE OF MEDICAID, SUBJECT TO SOME EXCEPTIONS, FROM ANY COLLECTION OR BILLING PROCEDURES BEYOND THE INITIAL BILL PURSUANT TO STATE REGULATIONS.

CREDIT AND COLLECTION POLICY - HOSPITAL FINANCIAL ASSISTANCE PROGRAMS

THE HOSPITAL, WHEN REQUESTED BY THE PATIENT AND BASED ON INTERNAL REVIEW OF EACH PATIENT'S FINANCIAL STATUS, MAY OFFER AN ADDITIONAL DISCOUNT ON AN UNPAID BILL. ANY SUCH REVIEW SHALL BE PART OF A SEPARATE HOSPITAL FINANCIAL ASSISTANCE PROGRAM THAT IS APPLIED ON A UNIFORM BASIS TO PATIENTS. ANY DISCOUNT THAT IS PROVIDED BY THE HOSPITAL IS CONSISTENT WITH FEDERAL AND STATE REQUIREMENTS, AND DOES NOT INFLUENCE A PATIENT'S ABILITY TO RECEIVE SERVICES FROM THE HOSPITAL. SUCH PROGRAMS INCLUDE: PROMPT PAY DISCOUNTS FOR UNINSURED PATIENTS, ONE TIME OR SPECIAL CIRCUMSTANCE SITUATIONS AND PAYMENT PLANS.

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CREDIT AND COLLECTION POLICY - DISCOUNT FOR UNINSURED PATIENTS

IN ADDITION TO THE FINANCIAL ASSISTANCE INFORMATION PROVIDED ABOVE, THE BID-MILTON MAY GIVE A SELF-PAY DISCOUNT TO PATIENTS WHO ARE UNINSURED.

BETH ISRAEL DEACONESS HOSPITAL -MILTON:

PART V, SECTION B, LINE 18C: EMERGENCY CARE ACCESS

AS PREVIOUSLY NOTED IN THIS FILING, BIDMC IS THE SOLE MEMBER OF BID-MILTON. THE MEDICAL CENTER IS A NATIONALLY RECOGNIZED ACADEMIC MEDICAL CENTER AND TEACHING HOSPITAL OF HARVARD MEDICAL SCHOOL. ASSOCIATED PHYSICIANS OF HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER (APHMFP) IS AN INTEGRALLY RELATED PHYSICIAN PRACTICE OF BIDMC AND IS ALSO EXEMPT FROM INCOME TAX UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. APHMFP PHYSICIANS PROVIDE AROUND THE CLOCK PHYSICIAN PATIENT CARE COVERAGE AND MEDICAL DIRECTION OF THE BID-MILTON EMERGENCY DEPARTMENT. THESE PHYSICIANS ARE ALL CERTIFIED OR BOARD-ELIGIBLE IN LEVEL 1 TRAUMA.

THE BID-MILTON DEPARTMENT OF EMERGENCY MEDICINE, PROVIDES MEDICALLY NECESSARY CARE FOR ALL PEOPLE REGARDLESS OF THEIR ABILITY TO PAY. THE HOSPITAL OFFERS THIS CARE FOR ALL PATIENTS THAT COME TO THIS FACILITY 24 HOURS A DAY, SEVEN DAYS A WEEK, AND 365 DAYS A YEAR.

PART VI, LINE 2: COMMUNITY BENEFITS MISSION STATEMENT

BETH ISRAEL DEACONESS HOSPITAL-MILTON'S (BID-MILTON OR HOSPITAL) COMMUNITY BENEFITS MISSION IS TO PROVIDE FREE OR LOW-COST PROGRAMS THAT ADDRESS

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UNMET HEALTH AND WELLNESS NEEDS OF RACIALLY, ETHNICALLY AND LINGUISTICALLY DIVERSE COMMUNITIES OF MILTON, RANDOLPH, QUINCY, DORCHESTER, HYDE PARK, BRAINTREE AND CANTON, IN A MANNER SHAPED BY COMMUNITY INPUT, ALIGNED WITH HOSPITAL RESOURCES, AND GUIDED BY OUR OBJECTIVE TO DELIVER HIGH QUALITY CARE WITH COMPASSION, DIGNITY AND RESPECT.

COMMUNITY BENEFITS PROCESS - COMMUNITY BENEFITS LEADERSHIP/TEAM

BID-MILTON'S COMMUNITY BENEFITS COMMITTEE INCLUDES REPRESENTATION FROM THE HOSPITAL'S SENIOR LEADERSHIP (INCLUDING THE PRESIDENT AND CHIEF EXECUTIVE OFFICER, VP OF FINANCE AND CHIEF NURSING OFFICER), PATIENT ADVOCACY, MEDICAL STAFF (INCLUDING PRESIDENT OF MEDICAL STAFF AND DIRECTOR OF GERIATRICS), AND PUBLIC RELATIONS, AS WELL AS COMMUNITY REPRESENTATION. DAY-TO-DAY OPERATIONS OF THE COMMUNITY BENEFITS PROGRAM ARE OVERSEEN BY THE PUBLIC RELATIONS DEPARTMENT, WITH GUIDANCE FROM THE HOSPITAL PRESIDENT AND CHIEF EXECUTIVE OFFICER. THE COMMUNITY BENEFITS COMMITTEE SERVES AS A RESOURCE FOR MAKING COMMUNITY BENEFITS DECISIONS THROUGHOUT THE YEAR. IN PARTICULAR, MEMBERS OF THE COMMITTEE SERVE AS A JUDGING PANEL FOR OUR ANNUAL COMMUNITY HEALTH WALK GRANT APPLICATIONS.

COMMUNITY BENEFITS PROCESS - KEY ACCOMPLISHMENTS DURING FISCAL PERIOD

DURING THE FISCAL YEAR COVERED BY THIS FILING, SOME OF THE COMMUNITY BENEFIT KEY ACCOMPLISHMENTS AND HEALTH INITIATIVES IN WHICH BID-MILTON PARTICIPATED ARE LISTED BELOW.

IMPROVING ACCESS TO AFFORDABLE CARE:

IN ADDITION TO OFFERING OVER 25 WELLNESS EDUCATION SEMINARS AND HEALTH SCREENINGS, BID-MILTON HELD ITS THIRD ANNUAL DIABETES FAIR IN APRIL, IN PARTNERSHIP WITH MEMBERS OF OUR MEDICAL STAFF. ATTENDEES RECEIVED VALUABLE

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INFORMATION AND TOOLS FOR MANAGING THEIR DIABETES AND HEARD FROM A PHYSICIAN PANEL OF DIABETES EXPERTS. APPROXIMATELY 70 DIABETICS AND/OR CAREGIVERS ATTENDED.

BID-MILTON ALSO OFFERED A FREE SPORTS INJURY ASSESSMENT CLINIC TO LOCAL STUDENT ATHLETES UNDER THE OVERSIGHT OF A SPORTS MEDICINE SPECIALIST/ORTHOPAEDIC SURGEON. THE MISSION OF THE SPORTS INJURY CLINIC WAS TO PROVIDE A COST-EFFICIENT MEANS FOR STUDENT ATHLETES TO RECEIVE CARE FOR SPORTS-RELATED INJURIES BEFORE MORE SERIOUS ISSUES DEVELOP, OR SIMPLY TO PROVIDE ASSURANCE ABOUT THE SEVERITY OF A PARTICULAR INJURY. CLINICS WERE STAFFED BY A SPORTS MEDICINE FELLOWSHIP-TRAINED ORTHOPAEDIC SURGEON, AS WELL AS A PHYSICAL THERAPIST.

HEALTH ISSUES FOR SENIOR CITIZENS:

WORKING WITH BETH ISRAEL DEACONESS MEDICAL CENTER, BID-MILTON'S GERIATRICS PROGRAM IS COMMITTED TO IMPROVING CARE FOR OUR COMMUNITY'S SENIORS. BY PARTNERING WITH MANY LOCAL REHABILITATION AND SENIOR LIVING FACILITIES, THE PROGRAM IMPROVES COMMUNICATION BETWEEN THESE FACILITIES AND THE HOSPITAL. IN ADDITION, BID-MILTON OFFERED SEVERAL SENIOR-FOCUSED EDUCATION PROGRAMS, INCLUDE AN AARP SAFE DRIVER DRIVING REFRESHER COURSE, AND EDUCATIONAL OPPORTUNITIES FOR COMMUNITY SENIORS ON TOPICS SUCH AS STROKE, JOINT PAIN, AND ISSUES RELATED TO TRANSITIONING TO NURSING HOME CARE. FINALLY, WITH FUNDING RAISED AT OUR SEPTEMBER COMMUNITY HEALTH WALK, BID-MILTON SUPPORTED COOPERATIVE ELDER SERVICES THROUGH THE ACQUISITION OF EQUIPMENT TO AID IN CHRONIC DISEASE MANAGEMENT AND FALL PREVENTION.

SCHOOL PARTNERSHIPS:

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A PARTNERSHIP BETWEEN BID-MILTON NUTRITION STAFF AND DIETARY STAFF FROM MILTON PUBLIC SCHOOLS RESULTED IN A COMPREHENSIVE NUTRITION EDUCATION PROGRAM FOR ALL MILTON PUBLIC SCHOOL THIRD GRADERS. STUDENTS LEARNED HOW A BALANCED DIET AND EXERCISE LEAD TO GOOD HEALTH.

IN CONJUNCTION WITH THE RANDOLPH PUBLIC SCHOOLS, BID-MILTON HAS CONTINUED TO GROW ITS INNOVATIVE JOB SHADOWING AND WORK SKILL DEVELOPMENT PROGRAM FOR RANDOLPH HIGH SCHOOL STUDENTS. A PROGRAM, HELD IN THE SUMMER OF 2012 OFFERED STUDENTS AN OPPORTUNITY TO OVERSEE A LANDSCAPING PROJECT. STUDENTS ASSESSED LANDSCAPING NEEDS, MANAGED A PROJECT BUDGET TO PURCHASE SUPPLIES AND MATERIALS, AND IMPLEMENTED IMPROVEMENTS. THIS ONGOING PARTNERSHIP HAS BEEN COMMENDED BY THE WORKFORCE INVESTMENT BOARD FOR ITS COLLABORATIVE SPIRIT AND RESULTS.

WITH FUNDING RAISED AT OUR SEPTEMBER COMMUNITY HEALTH WALK, BID-MILTON SUPPORTED HEALTH AND WELLNESS PROGRAMS AT BOTH THE QUINCY PUBLIC SCHOOLS AND THE BRAINTREE PUBLIC SCHOOLS. IN QUINCY, FUNDS SUPPORTED A COLLABORATIVE PROGRAM BETWEEN POINT WEBSTER MIDDLE SCHOOL, QUINCY POLICE, NORTHEASTERN UNIVERSITY AND MASSACHUSETTS INTERSCHOLASTIC ATHLETIC ASSOCIATION FOCUSED ON REDUCING BULLYING AND CREATING A POSITIVE SCHOOL CULTURE. IN BRAINTREE, BID-MILTON FUNDED THE ACQUISITION OF NEW EXERCISE EQUIPMENT (EXERCISE BIKE) FOR STUDENT USE.

CARDIOVASCULAR HEALTH:

DURING THE PERIOD COVERED BY THIS FILING, BID-MILTON HELD ITS THIRD ANNUAL COMMUNITY HEALTH WALK, A 5-KILOMETER WALK THROUGHOUT THE PICTURESQUE STREETS OF MILTON. IN ADDITION TO HIGHLIGHTING THE BENEFITS OF WALKING AS A CARDIOVASCULAR EXERCISE, THE WALK RAISED FUNDS FOR FIVE COMMUNITY

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ORGANIZATIONS TO SUPPORT A RANGE OF HEALTH PROGRAMS. FUNDING HELPED LAUNCH HEALTH PROGRAMS THAT TOUCH MANY LIVES THROUGHOUT OUR NEIGHBORING CITIES AND TOWNS. IN PARTICULAR, FUNDS RAISED GRANT FUNDS SUPPORTED GERIATRIC CHAIR YOGA & CHILDREN'S YOGA PROGRAMS FOR RANDOLPH SENIOR CENTER & RANDOLPH ELEMENTARY STUDENTS TO PROMOTE HEALTHY LIFESTYLES. ADDITIONAL FUNDING WAS PROVIDED TO SUPPORT THE MILTON BOARD OF HEALTH'S PROACTIVE EFFORT TO PREVENT THE SALE OF TOBACCO PRODUCTS TO MINORS IN THE TOWN OF MILTON.

PART VI, LINE 3: CREDIT AND COLLECTION POLICY - NOTICE OF AVAILABILITY OF FINANCIAL ASSISTANCE AND OTHER COVERAGE OPTIONS

FINANCIAL ASSISTANCE IS INTENDED TO ASSIST LOW-INCOME PATIENTS WHO DO NOT OTHERWISE HAVE THE ABILITY TO PAY FOR THEIR HEALTH CARE SERVICES. SUCH ASSISTANCE TAKES INTO ACCOUNT EACH INDIVIDUAL'S ABILITY TO CONTRIBUTE TO THE COST OF HIS OR HER CARE. FOR PATIENTS THAT ARE UNINSURED OR UNDERINSURED, BID-MILTON WILL ASSIST THEM IN APPLYING FOR AVAILABLE FINANCIAL ASSISTANCE PROGRAMS THAT MAY COVER ALL OR SOME OF THEIR UNPAID HOSPITAL BILLS.

BID-MILTON PROVIDES THIS ASSISTANCE FOR BOTH RESIDENTS AND NON-RESIDENTS OF MASSACHUSETTS; HOWEVER, THERE MAY NOT BE COVERAGE FOR A MASSACHUSETTS HOSPITAL'S SERVICES THROUGH AN OUT-OF STATE PROGRAM. IN ORDER FOR BID-MILTON TO ASSIST UNINSURED AND UNDERINSURED PATIENTS FIND THE MOST APPROPRIATE COVERAGE OPTIONS, PATIENTS MUST ACTIVELY WORK WITH THE HOSPITAL'S FINANCIAL COUNSELORS TO VERIFY THEIR FINANCIAL AND OTHER INFORMATION THAT COULD BE USED IN DETERMINING ELIGIBILITY.

BID-MILTON ADVISES PATIENTS OF THEIR RIGHT TO (I) APPLY FOR MASSHEALTH AND

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LOW INCOME PATIENT DETERMINATION AND (II) A PAYMENT PLAN. BID-MILTON'S FINANCIAL CLEARANCE UNIT (FCU) WILL ASSIST PATIENTS IN FULFILLING THEIR RIGHT TO APPLY FOR COVERAGE WITHIN A FINANCIAL ASSISTANCE PROGRAM INCLUDING MASSHEALTH, COMMONWEALTH CARE, CHILDREN'S MEDICAL SECURITY PLAN, HEALTHY START, MEDICAL HARDSHIP THROUGH THE HEALTH SAFETY NET, HEALTH SAFETY NET AND/OR OTHER FINANCIAL PROGRAMS AS AVAILABLE AND APPROPRIATE.

THE HOSPITAL ALSO WILL ASSIST UNINSURED OR UNDERINSURED PATIENTS, WHEN REQUESTED OR AS IDENTIFIED THROUGH INTERNAL SCREENING PROCEDURES, IN APPLYING FOR AVAILABLE FINANCIAL ASSISTANCE PROGRAMS THAT MAY COVER SOME OR ALL OF THEIR UNPAID HOSPITAL BILLS. IN ORDER TO HELP UNINSURED AND UNDERINSURED PATIENTS FIND AVAILABLE AND APPROPRIATE FINANCIAL ASSISTANCE PROGRAMS, BID-MILTON WILL PROVIDE ALL PATIENTS WITH A GENERAL NOTICE OF THE AVAILABILITY OF PROGRAMS IN BOTH THE INITIAL BILL THAT IS SENT TO PATIENTS WHO HAVE A FINANCIAL LIABILITY AS WELL AS IN GENERAL NOTICES THAT ARE POSTED THROUGHOUT THE HOSPITAL.

BID-MILTON WILL TRY TO IDENTIFY AVAILABLE COVERAGE OPTIONS FOR PATIENTS WHO MAY BE UNINSURED OR UNDERINSURED WITH THEIR CURRENT INSURANCE PROGRAM WHEN THE PATIENT IS SCHEDULING SERVICES, WHILE THE PATIENT IS AT THE HOSPITAL, UPON DISCHARGE, AND/OR FOR A REASONABLE TIME FOLLOWING DISCHARGE FROM THE HOSPITAL. BID-MILTON WILL DIRECT ALL PATIENTS SEEKING INFORMATION ON AVAILABLE COVERAGE OPTIONS, OR THOSE THAT THE HOSPITAL DETERMINES MAY BE ELIGIBLE, TO THE HOSPITAL'S FCU WHERE PATIENT FINANCIAL COUNSELORS CAN SCREEN PATIENTS FOR ELIGIBILITY IN AN APPROPRIATE COVERAGE OPTION. THE HOSPITAL WILL THEN ASSIST THE PATIENT IN APPLYING FOR APPROPRIATE COVERAGE OPTIONS THAT ARE AVAILABLE TO THEM.

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WHEN REQUESTED, THE HOSPITAL WILL ALSO PROVIDE INFORMATION ON HOW TO CONTACT THE APPROPRIATE STAFF WITHIN THE HOSPITAL'S FINANCE OFFICE TO VERIFY THE ACCURACY OF THE HOSPITAL BILL OR TO DISPUTE CERTAIN CHARGES. CONTACT INFORMATION IS PRINTED ON ALL PATIENT STATEMENTS.

FOR CASES WHERE THE HOSPITAL IS USING THE VIRTUAL GATEWAY APPLICATION, THE HOSPITAL WILL ASSIST THE PATIENT IN COMPLETING THE APPLICATION FOR MASSHEALTH, COMMONWEALTH CARE, CHILDREN'S MEDICAL SECURITY PLAN, HEALTHY START, HEALTH SAFETY NET, OR OTHER FORMS OF FINANCIAL ASSISTANCE PROGRAMS AS THEY BECOME PART OF THE VIRTUAL GATEWAY PROGRAM, WHICH IS AN INTERNET PORTAL DESIGNED BY THE MASSACHUSETTS EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES IN ORDER TO PROVIDE THE GENERAL PUBLIC, MEDICAL PROVIDERS, AND COMMUNITY-BASED ORGANIZATIONS WITH AN ONLINE APPLICATION FOR THE PROGRAMS OFFERED BY THE COMMONWEALTH.

PART VI, LINE 4: BID-MILTON IS AN IMPORTANT MEMBER OF LOCAL PUBLIC HEALTH TEAMS ADDRESSING THE NEEDS OF AREA COMMUNITIES. BID-MILTON WORKS WITH SEVERAL AREA GROUPS INCLUDING:

- AARP
- ALCOHOLICS ANONYMOUS
- AMERICAN ACADEMY OF DERMATOLOGY
- AMERICAN CANCER SOCIETY
- AMERICAN HEART ASSOCIATION
- AMERICAN RED CROSS
- BOSTON HIGASHI SCHOOL
- BRAINTREE PUBLIC SCHOOLS
- CELEBRATE MILTON

Part VI Supplemental Information

- COOPERATIVE ELDER SERVICES
- CURRY COLLEGE
- DOVE (DOMESTIC VIOLENCE ENDED)
- FONTBONNE ACADEMY
- FRAMINGHAM STATE UNIVERSITY
- KNEADED THERAPY FITNESS
- MAFCU FEDERAL CREDIT UNION
- MARC A. SUSI SCHOLARSHIP FUND
- MASSACHUSETTS AFFORDABLE HOUSING ALLIANCE
- MASSACHUSETTS FRATERNAL ORDER OF POLICE
- MILTON BOARD OF HEALTH
- MILTON COUNCIL ON AGING
- MILTON EARLY CHILDHOOD ALLIANCE
- MILTON FOUNDATION FOR EDUCATION
- MILTON LIBRARY FOUNDATION
- MILTON LOCAL EMERGENCY PLANNING COMMITTEE
- MILTON PUBLIC SCHOOLS
- OLD COLONY HOSPICE
- QUINCY POLICE PATROL
- QUINCY PUBLIC SCHOOLS
- RANDOLPH PUBLIC SCHOOLS
- SIMMONS COLLEGE
- SOUTH SHORE DERMATOLOGY
- SOUTH SHORE SKIN SURGEONS
- SOUTH SHORE WORKFORCE INVESTMENT BOARD
- UNIVERSITY OF NEW HAMPSHIRE
- WORK INC.
- YOGA WOGA

Part VI Supplemental Information

PART VI, LINE 5: FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS - RESEARCH

AS PREVIOUSLY NOTED IN THROUGHOUT THIS FORM 990, BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC OR MEDICAL CENTER) IS THE SOLE MEMBER OF BID-MILTON. ALTHOUGH BID-MILTON DOES NOT ENGAGE IN DIRECT RESEARCH, IT IS PART OF BIDMC'S MISSION IS TO BE A WORLD-CLASS RESEARCH INSTITUTION WHERE OUTSTANDING SCIENTISTS WORK TO DEVELOP NEW KNOWLEDGE FOR THE BETTERMENT OF THE HEALTH OF OUR LOCAL AND EXTENDED COMMUNITIES. THE BIDMC RESEARCH PROGRAM STRIVES TO BE, AND IS, RENOWNED FOR ITS BENCH-TO-BEDSIDE MODEL OF TRANSLATIONAL RESEARCH AND FOR ITS COLLABORATION WITH INDUSTRY AS A PATHWAY FOR TRANSFERRING THE FRUITS OF RESEARCH INTO PRODUCTS THAT IMPROVE THE QUALITY OF LIFE.

BIDMC'S NOTABLE RESEARCH ACCOMPLISHMENTS INCLUDE CONSISTENTLY BEING RANKED IN THE TOP FOUR IN NATIONAL INSTITUTES OF HEALTH (NIH) FUNDING AMONG INDEPENDENT HOSPITALS. BIDMC SCIENTISTS CONTINUE TO SEARCH FOR IMPROVED UNDERSTANDING OF DISEASES AND BETTER TREATMENTS FOR PATIENTS, WHICH IN TURN DIRECTLY IMPACT THE LIVES OF OUR PATIENTS AND IMPROVE BIDMC'S PATIENT CARE. DURING THE PERIOD COVERED BY THIS FILING, BIDMC INVESTIGATORS LED MORE THAN 850 ACTIVE FEDERAL AND INDUSTRY SPONSORED PROJECTS AND MORE THAN 300 CLINICAL TRIALS. THIS RESEARCH IS LED BY APPROXIMATELY 490 PRINCIPAL INVESTIGATORS WHO ARE HARVARD MEDICAL SCHOOL FACULTY. THE KEY AREAS OF RESEARCH INCLUDE VASCULAR BIOLOGY, MOLECULAR IMAGING, TRANSPLANTATION, SIGNAL TRANSDUCTION, CANCER BIOLOGY, METABOLIC DISEASE, NEUROBIOLOGY, AIDS, AND CARDIOLOGY/CARDIAC SURGERY.

AS NOTED IN THIS FILING, BIDMC IS A TEACHING HOSPITAL OF HARVARD MEDICAL

Part VI Supplemental Information

SCHOOL COMMITTED TO MAINTAINING A COLLABORATIVE CULTURE AND MODERN, HIGH-QUALITY FACILITIES, AND TO TAKING FULL ADVANTAGE OF THE UNIQUE RELATIONSHIPS THAT EXIST AMONG THE HARVARD MEDICAL SCHOOL AND THE HARVARD TEACHING HOSPITALS. BIDMC DESIGNS AND IMPLEMENTS MANY INTERDEPARTMENTAL AND INTERDISCIPLINARY RESEARCH PROGRAMS. BIDMC ALSO REACHES OUT AND COLLABORATES WITH OTHER NATIONALLY RECOGNIZED AND WORLD RENOWNED EXPERTS IN VARIOUS FIELDS ALL ORIENTED TOWARD TRANSLATING NEW KNOWLEDGE INTO NOVEL MEDICAL TREATMENTS AND PATIENT CARE.

BIDMC PARTICIPATES IN HARVARD CATALYST, THE HARVARD CLINICAL AND TRANSLATIONAL SCIENCE CENTER, WHICH BRINGS TOGETHER THE INTELLECTUAL FORCE, TECHNOLOGIES, AND CLINICAL EXPERTISE AT HARVARD UNIVERSITY AND ITS ACADEMIC, HEALTH CARE, AND COMMUNITY PARTNERS TO CREATE CONNECTIONS, ENABLE RESEARCH AT THE CUTTING EDGE OF DISCOVERY, AND NURTURE CLINICAL AND TRANSLATIONAL RESEARCHERS WITH THE GOAL OF IMPROVING HUMAN HEALTH.

STUDIES BY BIDMC RESEARCHERS ARE ROUTINELY PUBLISHED IN THE WORLD'S LEADING SCIENTIFIC JOURNALS, INCLUDING NATURE, SCIENCE AND THE NEW ENGLAND JOURNAL OF MEDICINE WHICH HELPS TO BRING THE RESEARCH FINDINGS TO PATIENTS BEYOND BIDMC.

DURING THE FISCAL YEAR COVERED BY THIS FILING, BIDMC HAD NET EXPENDITURES OF $241,413,221 REPORTED ON THE BIDMC SCHEDULE H RELATED TO RESEARCH TO FURTHER SCIENCE AND PATIENT CARE, WHICH REPRESENTED 18.34% OF BIDMC'S TOTAL NET EXPENSES.

FORM 990 SCHEDULE H PART VI SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS FORM 990 SCHEDULE H NARRATIVE DISCLOSURE IS TO HELP

Part VI Supplemental Information

THE READER UNDERSTAND IN MORE DETAIL HOW BETH ISRAEL DEACONESS HOSPITAL - MILTON (BID-MILTON OR HOSPITAL) CARES FOR ITS COMMUNITY BY PROVIDING FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS. AS DEMONSTRATED IN THIS SCHEDULE H, 2.64% OF BID-MILTON'S TOTAL EXPENSES, NET OF BAD DEBT EXPENSE AS REPORTED ON FORM 990 PART IX, LINE 24, ARE INCURRED IN PROVIDING FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS AT COST.

IN ADDITION, IT IS IMPORTANT TO NOTE IN THIS CONTEXT THAT BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC OR MEDICAL CENTER) IS A TERTIARY CARE ACADEMIC MEDICAL CENTER, ENTITY EXEMPT FROM INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, A TEACHING HOSPITAL OF HARVARD MEDICAL SCHOOL AND THE SOLE MEMBER OF BID-MILTON. THE FINANCIAL ASSISTANCE AND COMMUNITY BENEFITS PROVIDED BY BIDMC ARE PROVIDED BY THE SAME HEALTH CARE SYSTEM, AND ALTHOUGH THOSE ACTIVITIES ARE NOT QUANTIFIED ON THE BID-MILTON SCHEDULE H PER THE INSTRUCTIONS TO THE FORM 990, THOSE ACTIVITIES ARE RELEVANT IN EVALUATING THE TOTAL COMMUNITY BENEFIT PROVIDED. BIDMC REPORTED MORE THAN 28% OF TOTAL EXPENSES, NET OF BAD DEBT EXPENSE, INCURRED IN PROVIDING FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS AT COST.

BOTH BID-MILTON AND BIDMC PREPARE ANNUAL COMMUNITY BENEFIT REPORTS WHICH ARE SUBMITTED TO THE MASSACHUSETTS ATTORNEY GENERAL EACH YEAR. THOSE FILINGS ARE AVAILABLE FOR PUBLIC INSPECTION AT THE ATTORNEY GENERAL'S OFFICE AND ON THEIR WEBSITE AND AT BID-MILTON AND BIDMC, RESPECTIVELY, UPON REQUEST. THERE ARE SOME DIFFERENCES BETWEEN THE MASSACHUSETTS ATTORNEY GENERAL DEFINITION OF FINANCIAL ASSISTANCE AND COMMUNITY BENEFITS AND THE INTERNAL REVENUE SERVICE (IRS) DEFINITION OF

Part VI Supplemental Information

THE READER UNDERSTAND IN MORE DETAIL HOW BETH ISRAEL DEACONESS HOSPITAL - MILTON (BID-MILTON OR HOSPITAL) CARES FOR ITS COMMUNITY BY PROVIDING FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS. AS DEMONSTRATED IN THIS SCHEDULE H, 2.64% OF BID-MILTON'S TOTAL EXPENSES, NET OF BAD DEBT EXPENSE AS REPORTED ON FORM 990 PART IX, LINE 24, ARE INCURRED IN PROVIDING FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS AT COST.

IN ADDITION, IT IS IMPORTANT TO NOTE IN THIS CONTEXT THAT BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC OR MEDICAL CENTER) IS A TERTIARY CARE ACADEMIC MEDICAL CENTER, ENTITY EXEMPT FROM INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, A TEACHING HOSPITAL OF HARVARD MEDICAL SCHOOL AND THE SOLE MEMBER OF BID-MILTON. THE FINANCIAL ASSISTANCE AND COMMUNITY BENEFITS PROVIDED BY BIDMC ARE PROVIDED BY THE SAME HEALTH CARE SYSTEM, AND ALTHOUGH THOSE ACTIVITIES ARE NOT QUANTIFIED ON THE BID-MILTON SCHEDULE H PER THE INSTRUCTIONS TO THE FORM 990, THOSE ACTIVITIES ARE RELEVANT IN EVALUATING THE TOTAL COMMUNITY BENEFIT PROVIDED. BIDMC REPORTED MORE THAN 28% OF TOTAL EXPENSES, NET OF BAD DEBT EXPENSE, INCURRED IN PROVIDING FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS AT COST.

BOTH BID-MILTON AND BIDMC PREPARE ANNUAL COMMUNITY BENEFIT REPORTS WHICH ARE SUBMITTED TO THE MASSACHUSETTS ATTORNEY GENERAL EACH YEAR. THOSE FILINGS ARE AVAILABLE FOR PUBLIC INSPECTION AT THE ATTORNEY GENERAL'S OFFICE AND ON THEIR WEBSITE AND AT BID-MILTON AND BIDMC, RESPECTIVELY, UPON REQUEST. THERE ARE SOME DIFFERENCES BETWEEN THE MASSACHUSETTS ATTORNEY GENERAL DEFINITION OF FINANCIAL ASSISTANCE AND COMMUNITY BENEFITS AND THE INTERNAL REVENUE SERVICE (IRS) DEFINITION OF

Part VI Supplemental Information

FINANCIAL ASSISTANCE AND COMMUNITY BENEFITS. AS SUCH, THERE ARE VARIANCES BETWEEN THE SCHEDULE H DISCLOSURES AND THE REPORTS FILED WITH THE ATTORNEY GENERAL'S OFFICE BY BID-MILTON AND BIDMC.

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization: BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number: 04-2103604

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 ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef)		
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	X
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III. ☒ Compensation committee ☐ Written employment contract ☒ Independent compensation consultant ☒ Compensation survey or study ☐ Form 990 of other organizations ☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a	Receive a severance payment or change-of-control payment?	4a	X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
c	Participate in, or receive payment from, an equity-based compensation arrangement? . . .	4c	X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
	Only section 501(c)(3) and 501(c)(4) organizations 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	X
b	Any related organization?	5b	X
	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	X
b	Any related organization?	6b	X
	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	X
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 Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III . .	8	X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

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

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

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

	(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
			(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	LEWIS, M.D. , STANLEY M.	(i)	0.	0.	0.	0.	0.	0.	0.
		(ii)	487,676.	131,423.	11,332.	44,077.	18,091.	692,599.	0.
2	LOONEY, M.D. , JOHN J.	(i)	0.	0.	0.	0.	0.	0.	0.
		(ii)	257,773.	0.	3,713.	29,400.	25,598.	316,484.	0.
3	MORRISSEY , JOSEPH V.	(i)	444,730.	0.	9,511.	0.	24,301.	478,542.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
4	RABKIN, M.D. , MITCHELL	(i)	0.	0.	0.	0.	0.	0.	0.
		(ii)	2,050.	0.	513,209.	0.	63.	515,322.	0.
5	ROSENBERG, M.D. , STUART A.	(i)	0.	0.	0.	0.	0.	0.	0.
		(ii)	612,083.	123,473.	16,834.	45,938.	18,091.	816,419.	0.
6	TABB, M.D. , KEVIN	(i)	0.	0.	0.	0.	0.	0.	0.
		(ii)	163,556.	131,250.	45,617.	0.	4,284.	344,707.	0.
7	RADZEVICH , JASON	(i)	221,459.	0.	180.	0.	12,756.	234,395.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
8	BERRY, M.D. , MICHAEL V.	(i)	30,000.	0.	0.	0.	0.	30,000.	0.
		(ii)	369,185.	0.	0.	0.	7,534.	376,719.	0.
9	SINKEVICH , DORIS	(i)	234,334.	0.	774.	0.	756.	235,864.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
10	YEATS, M.D. , ASHLEY	(i)	173,593.	0.	10,317.	21,480.	15,869.	221,259.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
11	CRONIN , LYNN	(i)	110,169.	0.	4,673.	0.	35,381.	150,223.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
12	FERNANDEZ , JEAN M	(i)	131,492.	0.	5,537.	0.	25,570.	162,599.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
13	HARRINGTON , KATHLEEN	(i)	145,743.	0.	475.	0.	10,887.	157,105.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
14	PAGE , CINDY	(i)	135,462.	0.	167.	0.	26,060.	161,689.	0.
		(ii)	0.	0.	0.	0.	0.	0.	0.
15	ZEIDEL, M.D. , MARK L.	(i)	0.	0.	0.	0.	0.	0.	0.
		(ii)	693,116.	0.	12,370.	45,026.	13,706.	764,218.	0.
16		(i)							
		(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

REPORTABLE COMPENSATION LISTED IN FORM 990 PART VII

INCLUDES BASE COMPENSATION, INCENTIVE COMPENSATION AND OTHER REPORTABLE

COMPENSATION AS REPORTED IN FORM 990 SCHEDULE J.

OTHER COMPENSATION LISTED IN FORM 990 PART VII INCLUDES DEFERRED

COMPENSATION AND NON-TAXABLE BENEFITS AS REPORTED IN FORM 990 SCHEDULE J.

OTHER REPORTABLE COMPENSATION:

AMOUNTS NOT OTHERWISE SEPARATELY NOTED IN THIS RETURN BUT QUANTIFIED IN

OTHER REPORTABLE COMPENSATION MAY INCLUDE AMOUNTS FROM ONE OR MORE OF THE

FOLLOWING ITEMS: AMOUNTS DEFERRED BY THE EMPLOYEE (PLUS EARNINGS) UNDER

FULLY VESTED 457(B) PLAN; INCREASE/DECREASE IN VALUE OF NONQUALIFIED FULLY

VESTED 457(B) PLAN; TAXABLE EMPLOYER-SUBSIDIZED PARKING; TAXABLE MOVING

EXPENSES; EARNED TIME CASHED; TAXABLE LIFE, DISABILITY, OR LONG-TERM CARE

INSURANCE; AND OTHER TAXABLE RETIREMENT BENEFITS

DEFERRED COMPENSATION:

AMOUNTS NOT OTHERWISE SEPARATELY NOTED BUT QUANTIFIED IN DEFERRED

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

COMPENSATION MAY INCLUDE AMOUNTS FROM ONE OR MORE OF THE FOLLOWING ITEMS:

EMPLOYER CONTRIBUTIONS TO 401K RETIREMENT PLAN, EMPLOYER CONTRIBUTIONS TO

403B RETIREMENT PLAN, EMPLOYER CONTRIBUTION TO PENSION PLAN

NON-TAXABLE BENEFITS:

AMOUNTS NOT OTHERWISE SEPARATELY NOTED BUT QUANTIFIED IN NON-TAXABLE

BENEFITS MAY INCLUDE AMOUNTS FROM ONE OR MORE OF THE NON-TAXABLE BENEFITS:

EMPLOYEE CONTRIBUTIONS TO HEALTH INSURANCE, EMPLOYER CONTRIBUTIONS TO

HEALTH INSURANCE, EMPLOYEE CONTRIBUTIONS TO FLEXIBLE SPENDING ACCOUNTS FOR

DEPENDENT CARE AND/OR MEDICAL REIMBURSEMENT, GROUP TERM LIFE INSURANCE,

DISABILITY INSURANCE

ALL DIRECTORS SERVE WITHOUT COMPENSATION OR BENEFITS. COMPENSATION PAID TO

OFFICERS, DIRECTORS, TRUSTEES OR KEY EMPLOYEES WAS EARNED FOR WORK

PERFORMED IN A CAPACITY OTHER THAN THAT OF DIRECTOR/TRUSTEE, AS DENOTED BY

THE LISTED TITLES

BETH ISRAEL DEACONESS HOSPITAL - MILTON, BETH ISRAEL DEACONESS MEDICAL

CENTER AND HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

MEDICAL CENTER MAY BE REFERRED TO IN THESE EXPLANATORY NOTES TO FORM 900 PART VII AND FORM 990 SCHEDULE J AS BID-MILTON, BIDMC AND HMFP RESPECTIVELY. IN ADDITION, BIDMC IS THE SOLE MEMBER OF MEDICAL CARE OF BOSTON MANAGEMENT CORP. D/B/A AFFILIATED PHYSICIANS GROUP AND BID-MILTON IS THE SOLE MEMBER OF COMMUNITY PHYSICIANS ASSOCIATES WHICH MAY BE REFERRED TO IN THESE EXPLANATORY NOTES AS APG AND CPA RESPECTIVELY.

ALEXANDER, BRUCE
DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON
DIRECTOR - MILTON HOSPITAL FOUNDATION

MR. ALEXANDER DEVOTES, ON AVERAGE, 5 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

BARRETT, M.D., GEORGE
DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON
DIRECTOR - MILTON HOSPITAL FOUNDATION

DR. BARRETT DEVOTES, ON AVERAGE, 5 HOURS PER WEEK TO THE REPORTING

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

BRADY, MICHAEL J.

DIRECTOR AND BOARD CHAIR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR AND BOARD CHAIR - MILTON HOSPITAL FOUNDATION

DIRECTOR AND PRESIDENT - COMMUNITY PHYSICIANS ASSOCIATES

DIRECTOR (EX-OFFICIO) - BETH ISRAEL DEACONESS MEDICAL CENTER

MR. BRADY DEVOTES, ON AVERAGE, A COMBINED 15 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

CICHELLO, ANTHONY

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR - MILTON HOSPITAL FOUNDATION

DIRECTOR - MEDICAL CARE OF BOSTON MANAGEMENT CORPORATION, INC. D/B/A AFFILIATED PHYSICIANS GROUP

MR. CICHELLO DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

CONLON, KATIE

DIRECTOR AND CLERK - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR AND CLERK - MILTON HOSPITAL FOUNDATION

DIRECTOR AND CLERK - COMMUNITY PHYSICIANS ASSOCIATES

MS. CONLON DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

DAVIS, III, FRANK L.

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR - MILTON HOSPITAL FOUNDATION

MR. DAVIS DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II Also complete this part for any additional information.

FALLON, CAROL

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR - MILTON HOSPITAL FOUNDATION

DIRECTOR - MILTON HOSPITAL DEVELOPMENT FUND

MS. FALLON DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

GREENE, DONALD

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR - MILTON HOSPITAL FOUNDATION

DIRECTOR - MILTON HOSPITAL DEVELOPMENT FUND

MR. GREENE DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

HEAVEY, CHRISTOPHER

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR - MILTON HOSPITAL FOUNDATION

MR. HEAVEY DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

HODGMAN, JANE

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR - MILTON HOSPITAL FOUNDATION

DIRECTOR - COMMUNITY PHYSICIANS ASSOCIATES

MS. HODGMAN DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

KERWIN, MARK

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR - MILTON HOSPITAL FOUNDATION

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II Also complete this part for any additional information.

MR. KERWIN DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

LEWIS, M.D., STANLEY M.

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

SENIOR VICE PRESIDENT, NETWORK INTEGRATION - BETH ISRAEL DEACONESS MEDICAL CENTER

DIRECTOR - CARDIOVASCULAR ASSOCIATED PHYSICIANS OF HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER, INC.

CARDIOLOGIST HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER

TRUSTEE - BETH ISRAEL DEACONESS HOSPITAL - NEEDHAM

DIRECTOR - MEDICAL CARE OF BOSTON MANAGEMENT CORPORATION D/B/A AFFILIATED PHYSICIANS GROUP

DR. LEWIS DEVOTES, ON AVERAGE, A COMBINED 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

HERE.

DR. LEWIS PERFORMS SERVICES FOR BOTH BIDMC AND HMFP. AS REQUIRED BY FORM 990, ALTHOUGH DR. LEWIS IS PAID DIRECTLY BY HMFP, THE PORTION OF DR. LEWIS' COMPENSATION ATTRIBUTABLE TO HIS SERVICES PERFORMED AT BIDMC AND HMFP HAS BEEN SEPARATELY REPORTED ON FORM 990, AS FURTHER OUTLINED BELOW.

PAYMENTS REPORTED BY BIDMC:

BASE COMPENSATION: 438,908

INCENTIVE COMPENSATION: 118,281

OTHER REPORTABLE COMPENSATION: 10,199

DEFERRED COMPENSATION: 39,669

NON-TAXABLE BENEFITS: 16,282

PAYMENTS REPORTED BY HMFP:

BASE COMPENSATION: 48,768

INCENTIVE COMPENSATION: 13,142

OTHER REPORTABLE COMPENSATION: 1,133

DEFERRED COMPENSATION: 4,408

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

NON-TAXABLE BENEFITS: 1,809

DEFERRED COMPENSATION REPORTED BY BIDMC AND HMFP FOR THE 2011 CALENDAR YEAR

INCLUDES A CHANGE IN VALUE OF DR. LEWIS'S SUPPLEMENTAL EXECUTIVE RETIREMENT

PROGRAM (SERP) OF $14,677. THE SERP DOES NOT VEST UNTIL 2012.

LONGMAID, M.D., H. ESTERBROOK

DIRECTOR (EX-OFFICIO) - BETH ISRAEL DEACONESS HOSPITAL - MILTON

PRESIDENT OF THE MEDICAL STAFF - BETH ISRAEL DEACONESS HOSPITAL - MILTON

CHIEF OF RADIOLOGY - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DR. LONGMAID DEVOTES, ON AVERAGE, 30 HOURS PER WEEK TO THE REPORTING

ORGANIZATION FOR THE POSITIONS LISTED HERE.

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 38,750

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 0

DEFERRED COMPENSATION: 0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

NON-TAXABLE BENEFITS: 0

LOONEY, M.D., JOHN J.

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

PRIMARY CARE PHYSICIAN - MEDICAL CARE OF BOSTON MANAGEMENT CORPORATION,

D/B/A AFFILIATED PHYSICIANS GROUP

CLINICAL INSTRUCTOR IN MEDICINE - HARVARD MEDICAL SCHOOL

DR. LOONEY DEVOTES, ON AVERAGE, A COMBINED 60 HOURS PER WEEK TO THE

REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED

HERE.

PAYMENTS REPORTED BY APG:

BASE COMPENSATION: 257,773

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 3,713

DEFERRED COMPENSATION: 29,400

NON-TAXABLE BENEFITS: 25,598

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

MARSANO, MARIO

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR - MILTON HOSPITAL FOUNDATION

MR. MARSANO DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

MORRISSEY, JOSEPH V.

DIRECTOR, PRESIDENT AND CHIEF EXECUTIVE OFFICER - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR AND PRESIDENT - MILTON HOSPITAL FOUNDATION

DIRECTOR AND PRESIDENT - MILTON HOSPITAL DEVELOPMENT FUND

DIRECTOR AND TREASURER - COMMUNITY PHYSICIANS ASSOCIATES

MR. MORRISSEY DEVOTED, ON AVERAGE, A COMBINED 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 444,730

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 9,511

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS: 24,301

NEEDHAM, ELLEN

DIRECTOR AND TREASURER - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR AND TREASURER - MILTON HOSPITAL FOUNDATION

TREASURER - MILTON HOSPITAL DEVELOPMENT FUND

DIRECTOR AND TREASURER - COMMUNITY PHYSICIANS ASSOCIATES

MS. NEEDHAM DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE

REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED

HERE.

RABKIN, M.D., MITCHELL T.

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR - MILTON HOSPITAL FOUNDATION

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II Also complete this part for any additional information

PROFESSOR OF MEDICINE - HARVARD MEDICAL SCHOOL

DR. RABKIN DEVOTES, ON AVERAGE, A COMBINED 10 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

PAYMENTS REPORTED BY BIDMC:

BASE COMPENSATION: 2,050

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 513,209

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS: 63

DR. RABKIN SERVED AS THE PRESIDENT OF BETH ISRAEL HOSPITAL ASSOCIATION FROM 1966 TO 1996. AFTER MORE THAN 45 YEARS OF SERVICE TO BIDMC, DR. RABKIN RETIRED IN 2011. HIS COMPENSATION REPORTED ABOVE INCLUDES A ONE-TIME TAXABLE PAYMENT OF $513,209 RELATED TO SPLIT-DOLLAR LIFE INSURANCE POLICIES IN PLACE AT THE TIME DR. RABKIN CEASED TO HOLD HIS ROLE AS PRESIDENT OF BETH ISRAEL HOSPITAL ASSOCIATION.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

AS REQUIRED IN THIS FORM 990, COMPENSATION REPORTED BY BIDMC FOR THE 2011 CALENDAR YEAR INCLUDES THE FOLLOWING PAYMENTS FROM THE PRESIDENT AND FELLOWS OF HARVARD COLLEGE/HARVARD MEDICAL SCHOOL RELATED TO DR. RABKIN'S POSITION AS PROFESSOR OF MEDICINE, HARVARD MEDICAL SCHOOL: $2,000 BASE AND OTHER REPORTABLE COMPENSATION.

ROSENBERG, M.D., STUART A
DIRECTOR (EX-OFFICIO) - BETH ISRAEL DEACONESS HOSPITAL - MILTON
PRESIDENT AND CHIEF EXECUTIVE OFFICER - HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER
DIRECTOR (EX-OFFICIO) - BETH ISRAEL DEACONESS MEDICAL CENTER
PRESIDENT - ASSOCIATED PHYSICIANS OF HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER
PRESIDENT - CARDIOVASCULAR ASSOCIATED PHYSICIANS OF HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER
DIRECTOR - BETH ISRAEL DEACONESS DEPARTMENT OF SURGERY FOUNDATION
DIRECTOR - BETH ISRAEL DEACONESS ORTHOPAEDIC SURGERY FOUNDATION
DIRECTOR - CONTINUING EDUCATION PROGRAM, INC. D/B/A BETH ISRAEL DEACONESS

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

DEPARTMENT OF PSYCHIATRY FOUNDATION

DIRECTOR - BETH ISRAEL DEACONESS DEPARTMENT OF MEDICINE FOUNDATION

DIRECTOR - BETH ISRAEL DEACONESS DEPARTMENT OF NEONATOLOGY FOUNDATION

DIRECTOR - BETH ISRAEL DERMATOLOGY FOUNDATION

DIRECTOR - MEDICAL CARE OF BOSTON MANAGEMENT CORP., D/B/A AFFILIATED

PHYSICIANS GROUP

DR. ROSENBERG DEVOTES, ON AVERAGE, A COMBINED 60 HOURS PER WEEK TO THE

REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED

HERE.

PAYMENTS REPORTED BY HMFP:

BASE COMPENSATION: 612,083

INCENTIVE COMPENSATION: 123,473

OTHER REPORTABLE COMPENSATION: 16,834

DEFERRED COMPENSATION: 45,938

NON-TAXABLE BENEFITS: 18,091

STAPLETON, PATRICK

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR - MILTON HOSPITAL FOUNDATION

MR. STAPLETON DEVOTES, ON AVERAGE, A COMBINED 5 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

TABB, M.D., KEVIN

DIRECTOR (EX-OFFICIO) - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR (EX-OFFICIO), PRESIDENT AND CHIEF EXECUTIVE OFFICER - BETH ISRAEL DEACONESS MEDICAL CENTER

DIRECTOR (EX-OFFICIO) - HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER

DIRECTOR (EX-OFFICIO) - BETH ISRAEL DEACONESS DEPARTMENT OF MEDICINE FOUNDATION; BETH ISRAEL DEACONESS MEDICAL CENTER OBSTETRICS AND GYNECOLOGY FOUNDATION; BETH ISRAEL DEACONESS DEPARTMENT OF SURGERY FOUNDATION

TRUSTEE (EX-OFFICIO) - BETH ISRAEL DEACONESS HOSPITAL - NEEDHAM

DR. TABB COMMENCED HIS ROLES AS PRESIDENT AND CHIEF EXECUTIVE OFFICER OF

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC) ON OCTOBER 17, 2011 AND DEVOTES, ON AVERAGE, A COMBINED 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

PAYMENTS REPORTED BY BIDMC:

BASE COMPENSATION: 163,556

INCENTIVE COMPENSATION: 131,250

OTHER REPORTABLE COMPENSATION: 45,617

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS: 4,284

THE INCENTIVE COMPENSATION AND OTHER REPORTABLE COMPENSATION REFLECTED IN THIS FILING ARE PAYMENTS INTENDED TO HELP EASE THE FINANCIAL COSTS OF RELOCATION, TEMPORARY HOUSING AND OTHER TRANSITIONAL EXPENSES INCURRED BY DR. TABB. ALL AMOUNTS WERE PAID PURSUANT TO THE INITIAL CONTRACT EXCEPTION DESCRIBED IN TREASURY REGULATIONS SECTION 53.4958-4(A)(3) AND BIDMC FOLLOWED THE REBUTTABLE PRESUMPTION PROCEDURES DESCRIBED IN TREASURY REGULATIONS SECTION 53.4958-6(C) IN SETTING DR. TABB'S COMPENSATION.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

RADZEVICH, JASON

VICE PRESIDENT, FINANCE - BETH ISRAEL DEACONESS HOSPITAL - MILTON

CHIEF FINANCIAL OFFICER - MILTON HOSPITAL DEVELOPMENT FUND

MR. RADZEVICH DEVOTES, ON AVERAGE, A COMBINED 60 HOURS PER WEEK TO THE

REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED

HERE.

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 221,459

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 180

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS: 12,756

BERRY, M.D., MICHAEL V.

CHIEF, ORTHOPEDICS - BETH ISRAEL DEACONESS HOSPITAL - MILTON

ORTHOPEDIC SURGEON - COMMUNITY PHYSICIANS ASSOCIATES

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

DR. BERRY DEVOTES, ON AVERAGE, A COMBINED 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION AND ALL RELATED ENTITIES FOR THE POSITIONS LISTED HERE.

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 30,000

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION:

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS:

PAYMENTS REPORTED BY CPA:

BASE COMPENSATION: 369,185

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 0

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS: 7,534

SINKEVICH, DORIS

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

VICE PRESIDENT, PATIENT CARE/QUALITY AND CHIEF NURSING OFFICER - BETH ISRAEL DEACONESS HOSPITAL - MILTON

MS. SINKEVICH DEVOTES, ON AVERAGE, 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION.

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 234,334

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 774

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS: 756

YEATS, M.D., ASHLEY

CHIEF MEDICAL OFFICER - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DR. YEATS DEVOTES, ON AVERAGE, 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

DR. YEATS WAS PAID DIRECTLY BY ASSOCIATED PHYSICIANS OF HARVARD MEDICAL FACULTY OF BETH ISRAEL DEACONESS MEDICAL CENTER, AN ENTITY RELATED TO BID-MILTON AND EXEMPT FROM INCOME TAX UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. AS REQUIRED BY FORM 990, DR. YEATS COMPENSATION HAS BEEN SEPARATELY REPORTED ON THIS FILING, AS FURTHER OUTLINED BELOW:

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 173,593

BONUS AND INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 10,317

DEFERRED COMPENSATION: 21,480

NON-TAXABLE BENEFITS: 15,869

CAMPBELL, ALEXANDER

DIRECTOR, HEALTH CARE QUALITY - BETH ISRAEL DEACONESS HOSPITAL - MILTON

MR. CAMPBELL DEVOTES, ON AVERAGE, 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 112,665

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 4,688

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS: 24,883

CRONIN, LYNN

DIRECTOR, NURSING SERVICES BETH ISRAEL DEACONESS HOSPITAL - MILTON

MS. CRONIN DEVOTES, ON AVERAGE, 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION.

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 110,169

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 4,673

DEFERRED COMPENSATION: 0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

NON-TAXABLE BENEFITS: 35,381

FERNANDEZ, JEAN M.

CHIEF INFORMATION OFFICER - BETH ISRAEL DEACONESS HOSPITAL - MILTON

MS. FERNANDEZ DEVOTES, ON AVERAGE, 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION.

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 131,492

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 5,537

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS: 25,570

HARRINGTON, KATHLEEN

VICE PRESIDENT, HUMAN RESOURCES - BETH ISRAEL DEACONESS HOSPITAL - MILTON

MS. HARRINGTON DEVOTES, ON AVERAGE, 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II Also complete this part for any additional information.

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 145,743

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 475

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS: 10,887

PAGE, CYNTHIA

VICE PRESIDENT, CLINICAL SUPPORT SERVICES - BETH ISRAEL DEACONESS HOSPITAL - MILTON

MS. PAGE DEVOTES, ON AVERAGE, 60 HOURS PER WEEK TO THE REPORTING ORGANIZATION.

PAYMENTS REPORTED BY BID-MILTON:

BASE COMPENSATION: 135,462

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 167

DEFERRED COMPENSATION: 0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

NON-TAXABLE BENEFITS: 26,060

ZEIDEL, M.D., MARK L.

FORMER DIRECTOR - BETH ISRAEL DEACONESS HOSPITAL - MILTON

DIRECTOR AND CHAIR OF MEDICINE - HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER

DIRECTOR (EX-OFFICIO) AND CHIEF OF MEDICINE - BETH ISRAEL DEACONESS MEDICAL CENTER

DIRECTOR - MEDICAL CARE OF BOSTON MANAGEMENT CORP D/B/A AFFILIATED PHYSICIANS GROUP

PRESIDENT - BETH ISRAEL DEACONESS DEPARTMENT OF MEDICINE FOUNDATION (BIDDM)

HERMAN LUDWIG BLUMGART PROFESSOR OF MEDICINE - HARVARD MEDICAL SCHOOL

DR. ZEIDEL'S TERM ON THE BID-MILTON BOARD ENDED JANUARY 26, 2009.

DR. ZEIDEL DEVOTES, ON AVERAGE, A COMBINED 60 HOURS PER WEEK TO THE POSITIONS AND ENTITIES LISTED HERE.

DR. ZEIDEL PERFORMS SERVICES FOR BOTH HMFP AND BIDMC. AS REQUIRED BY FORM

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

990, ALTHOUGH DR. ZEIDEL IS PAID DIRECTLY BY HMFP, THE PORTION OF DR.

ZEIDEL'S COMPENSATION ATTRIBUTABLE TO EACH POSITION HAS BEEN SEPARATELY

REPORTED AS FURTHER OUTLINED BELOW.

PAYMENTS REPORTED BY HMFP:

BASE COMPENSATION: 345,753

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 6,185

DEFERRED COMPENSATION: 22,513

NON-TAXABLE BENEFITS: 6,853

PAYMENTS REPORTED BY BIDMC:

BASE COMPENSATION: 345,753

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 6,185

DEFERRED COMPENSATION: 22,513

NON-TAXABLE BENEFITS: 6,853

PAYMENTS REPORTED BY BIDDM:

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

BASE COMPENSATION: 1,610

INCENTIVE COMPENSATION: 0

OTHER REPORTABLE COMPENSATION: 0

DEFERRED COMPENSATION: 0

NON-TAXABLE BENEFITS: 0

AS REQUIRED IN FORM 990, COMPENSATION REPORTED BY HMFP AND BIDMC FOR THE 2011 CALENDAR YEAR INCLUDES THE FOLLOWING PAYMENTS FROM THE PRESIDENT AND FELLOWS OF HARVARD COLLEGE/HARVARD MEDICAL SCHOOL RELATED TO DR. ZEIDEL'S POSITION AS CHIEF OF MEDICINE AT BIDMC, CHAIR OF MEDICINE AT HMFP AND HERMAN LUDWIG BLUMGART PROFESSOR OF MEDICINE, HARVARD MEDICAL SCHOOL:

$141,402 BASE AND OTHER REPORTABLE COMPENSATION, $15,626 DEFERRED COMPENSATION AND $1,745 NON-TAXABLE BENEFITS.

SCHEDULE K (Form 990)
Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

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

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization: BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number: 04-2103604

Part I Bond Issues SEE PART VI FOR COLUMNS (A) AND (F) CONTINUATIONS

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of issuer Yes	(h) On behalf of issuer No	(i) Pooled financing Yes	(i) Pooled financing No
A	MASSACHUSETTS HEALTH & EDUCATIONAL FACILITIES AUTHORITY	04-2456011	57586CNM3	11/30/05	32,670,479.	FINANCE ACQUISITION, CONSTRUCTION, AND RENOVAT		X		X		X
B												
C												
D												

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds legally defeased				
3	Total proceeds of issue	34,691,559.			
4	Gross proceeds in reserve funds	1,752,287.			
5	Capitalized interest from proceeds	3,505,689.			
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	591,625.			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	28,742,997.			
11	Other spent proceeds	98,961.			
12	Other unspent proceeds				
13	Year of substantial completion	2008			

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

Part III Private Business Use

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D 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						
2	Are there any lease arrangements that may result in private business use of bond-financed property?	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 of bond-financed property?	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							
c Are there any research agreements that may result in private business use of bond-financed property?		X						
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	.00 %		%		%		%	
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 ▶	.00 %		%		%		%	
6 Total of lines 4 and 5	.00 %		%		%		%	
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?		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						
2 Is the bond issue a variable rate issue?		X						
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b Name of provider								
c Term of hedge								
d Was the hedge superintergrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5 Were any gross proceeds invested beyond an available temporary period?	X							
6 Did the bond issue qualify for an exception to rebate?		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 PART VI SUPPLEMENTAL EXPLANATION SHEET

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

SCHEDULE K, PART I, BOND ISSUES:

(A) ISSUER NAME: MASSACHUSETTS HEALTH & EDUCATIONAL FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:

FINANCE ACQUISITION, CONSTRUCTION, AND RENOVATION OF CERTAIN FACILITIES.

SCHEDULE K PART II LINE 8 - YEAR OF SUBSTANTIAL COMPLETION OF PROJECT(S)

IN RESPONSE TO GROWING DEMAND AND CHANGES IN HEALTH CARE DELIVERY, MILTON HOSPITAL UNDERTOOK A MAJOR EXPANSION AND RENOVATION PROJECT, BEGINNING IN 2005. COMPLETED IN 2008, THE PROJECT RESULTED IN A NEW EMERGENCY DEPARTMENT, AN ENLARGED, DEDICATED ENDOSCOPY CENTER AND AN UPDATED SURGICAL SERVICES CENTER, INCLUDING TWO NEW AND FOUR RENOVATED OPERATING ROOMS. OTHER FEATURES OF THE PROJECT INCLUDED REMODELED LABORATORY AND PHLEBOTOMY AREAS, EXPANDED FREE PARKING, AND IMPROVEMENTS TO POWER PLANT FACILITIES.

SCHEDULE K PART III QUESTIONS 2 AND 3

FACILITIES FINANCED WITH TAX-EXEMPT BONDS ARE PRIMARILY OCCUPIED BY BID-MILTON AND ITS AFFILIATED TAX-EXEMPT ENTITIES. SOME FINANCED SPACE MAY CONTAIN LEASE ARRANGEMENTS, AND BID-MILTON MAY OPT TO ENGAGE A MANAGEMENT SERVICES COMPANY (I.E. CLEANING, PATIENT TRANSPORT, AND FOOD SERVICES) WITHIN TAX EXEMPT DEBT FINANCED SPACE. ANY SUCH AGREEMENTS IN PLACE AS OF SEPTEMBER 30, 2012 WERE REVIEWED TO ENSURE PROPER ACCOUNTING OF ANY PRIVATE USE GENERATED FROM SUCH ACTIVITIES. IN ADDITION, SUCH AGREEMENTS ARE GENERALLY REVIEWED BY INSIDE COUNSEL PRIOR TO FINALIZING.

SCHEDULE K PART V - WRITTEN PROCEDURES

BID-MILTON IS CURRENTLY IN THE PROCESS OF ADOPTING A FORMAL WRITTEN

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

POLICY WHICH WILL ENSURE THAT VIOLATIONS OF FEDERAL TAX REQUIREMENTS ARE TIMELY IDENTIFIED AND CORRECTED THROUGH THE VOLUNTARY CLOSING AGREEMENT PROGRAM IF SELF-REMEDIATION IS NOT AVAILABLE. IN THE MEANTIME, BID-MILTON MONITORS USES OF ITS TAX-EXEMPT FINANCED FACILITIES IN CONJUNCTION WITH THE CAREGROUP, INC. TAX DEPARTMENT AND BOND COUNSEL.

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, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 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 BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number 04-2103604

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefiting 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 and type of assistance

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	(e) Sharing of organization's revenues? No
STANLEY M. LEWIS, M.D.	FAMILY RELATIONSHIP	33,685.			X
STUART A. ROSENBERG, M.D.	FAMILY RELATIONSHIP	67,210.			X
MARK L. ZEIDEL, M.D.	FAMILY RELATIONSHIP	233,152.			X

Part V Supplemental Information

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

SCHEDULE L PART IV COLUMN (D)

DESCRIPTION OF TRANSACTIONS INVOLVING INTERESTED PERSONS

STANLEY M. LEWIS, M.D, IS A DIRECTOR SITTING ON THE BOARD OF BID-MILTON, SERVES ON THE BOARDS OF DIRECTORS FOR MEDICAL CARE OF BOSTON MANAGEMENT CORP D/B/A AFFILIATED PHYSICIANS GROUP (APG), AND CARDIOVASCULAR ASSOCIATED PHYSICIANS OF HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER INC. AND THE BOARD OF TRUSTEES FOR BETH ISRAEL DEACONESS HOSPITAL - NEEDHAM (BIDN), DR. LEWIS IS ALSO THE SENIOR VICE PRESIDENT FOR NETWORK INTEGRATION AT BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC) AND A CARDIOLOGIST AT HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER (HMFP).

JASON JONATHAN LEWIS IS DR. LEWIS'S SON AND IS CURRENTLY A SECOND YEAR EMERGENCY MEDICINE RESIDENT (PGY2) AT BIDMC. JASON JONATHAN LEWIS'S SALARY AND OTHER INCOME INCLUDE:

BASE COMPENSATION: $ 27,707

BONUS AND INCENTIVE COMPENSATION: $ 0

OTHER REPORTABLE COMPENSATION: $ 2

Part V Supplemental Information

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

CONTRIBUTION TO EMPLOYEE BENEFIT PLANS INCLUDES: $ 0

DEFERRED COMPENSATION: $ 5,976

NON-TAXABLE BENEFITS: $0

STUART A. ROSENBERG, MD, IS A DIRECTOR SITTING ON THE BOARD OF BID-MILTON, DIRECTOR (EX-OFFICIO) AT BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC), PRESIDENT AND CEO OF HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER (HMFP). DR. ROSENBERG'S DAUGHTER, ELIZABETH ROSENBERG, IS AN ULTRASOUND TECHNOLOGIST AT BIDMC. HER SALARY AND OTHER INCOME INCLUDE:

BASE COMPENSATION: $55,590

BONUS AND INCENTIVE COMPENSATION: $0

OTHER REPORTABLE COMPENSATION: $4

CONTRIBUTION TO EMPLOYEE BENEFIT PLANS INCLUDES:

DEFERRED COMPENSATION: $0

NON-TAXABLE BENEFITS: $11,616

MARK L. ZEIDEL, M.D., A FORMER DIRECTOR OF BID-MILTON, IS ALSO A DIRECTOR (EX-OFFICIO) OF BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC), CLINICAL CHIEF OF MEDICINE AT BIDMC/CLINICAL CHAIR OF MEDICINE AT HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER AND A DIRECTOR SERVING ON THE MEDICAL CARE OF BOSTON MANAGEMENT CORP D/B/A AFFILIATED PHYSICIANS GROUP (APG) BOARD. DR. ZEIDEL IS MARRIED TO SUSAN FREEDMAN, MD, A PHYSICIAN EMPLOYED BY HMFP AND APG. HMFP IS INTEGRALLY RELATED TO BID-MILTON, BIDMC AND APG. DR.

Part V Supplemental Information

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

FREEDMAN'S SALARY AND OTHER INCOME INCLUDE:

BASE COMPENSATION: $197,878

BONUS AND INCENTIVE COMPENSATION: $0

OTHER REPORTABLE COMPENSATION: $3,597

CONTRIBUTION TO EMPLOYEE BENEFIT PLANS INCLUDES:

DEFERRED COMPENSATION: $24,000

NON-TAXABLE BENEFITS: $7,677

VARIOUS CURRENT AND FORMER OFFICERS, DIRECTORS/TRUSTEES AND KEY EMPLOYEES OF BID- MILTON MAY ALSO HOLD POSITIONS WITH OTHER ENTITIES WHICH MAKE CHARITABLE CONTRIBUTIONS TO BID-MILTON. SUCH CONTRIBUTIONS HAVE NOT BEEN INCLUDED IN THE DISCLOSURES ABOVE.

BID-MILTON MAINTAINS AN ACCOUNTABLE BUSINESS EXPENSE REIMBURSEMENT PLAN. FROM TIME TO TIME, BIDN MAY REIMBURSE ITS OFFICERS, DIRECTORS/TRUSTEES AND/OR KEY EMPLOYEES FOR EXPENSES THEY INCURRED AND WHICH ARE PROPERLY ORDINARY AND NECESSARY BUSINESS EXPENSES OF THE REPORTING ENTITY. THE POLICIES AND PROCEDURES REQUIRED BY THE ACCOUNTABLE BUSINESS PLAN MUST BE FOLLOWED IN ORDER TO RECEIVE REIMBURSEMENT FOR SUCH EXPENSES AND IT IS POSSIBLE THAT ONE OR MORE INDIVIDUALS RECEIVED NON-TAXABLE REIMBURSEMENTS WHICH TOTALED $10,000 OR MORE DURING THE FISCAL PERIOD COVERED BY THIS FILING.

ALL OF THE ABOVE TRANSACTIONS WERE NEGOTIATED AT ARMS-LENGTH AND IN ACCORDANCE WITH THE BID-MILTON CONFLICT OF INTEREST POLICY.

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 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization: BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number: 04-2103604

PART I, LINE 1 & PART III, LINE 1

THE MISSION OF THE BETH ISRAEL DEACONESS HOSPITAL-MILTON, INC. (BID-MILTON OR HOSPITAL) IS TO PROVIDE SAFE, HIGH-QUALITY, COMMUNITY-BASED HEALTH CARE AND ACCESS TO TERTIARY CARE IN CLOSE COLLABORATION WITH ITS SOLE MEMBER, BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC OR MEDICAL CENTER), REGARDLESS OF THE PATIENT'S ABILITY TO PAY, RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, NATIONAL ORIGIN, ANCESTRY, AGE, OR DISABILITY. BID-MILTON ASPIRES TO BE AMONG THE BEST COMMUNITY HOSPITALS IN EASTERN MASSACHUSETTS.

BETH ISRAEL DEACONESS HOSPITAL - MILTON (BID-MILTON OR HOSPITAL), IS A 88-BED ACUTE CARE HOSPITAL THAT SERVES PATIENTS OF ALL AGES AND SERVES THE COMMUNITIES OF MILTON, QUINCY, BRAINTREE, RANDOLPH, CANTON, HYDE PARK DORCHESTER AND OTHER LOCAL COMMUNITIES. THE HOSPITAL PROVIDES A COMPREHENSIVE PROGRAM OF CLINICAL SERVICES AND DELIVERS CARE IN ACCORDANCE WITH BID-MILTON'S CORE VALUES OF PATIENT COMFORT, CONFIDENTIALITY AND CONVENIENCE WITH THE ULTIMATE GOAL OF PLAYING AN INTEGRAL ROLE IN IMPROVING THE OVERALL HEALTH OF THE COMMUNITIES SERVED.

FORM 990, PART III, LINE 4A

INPATIENT HEALTHCARE SERVICES

DURING THE FISCAL PERIOD COVERED BY THIS FILING, BID-MILTON HAD 5,163 INPATIENT DISCHARGES WITH 18,530 PATIENT DAYS.

Name of the organization BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number 04-2103604

FORM 990, PART III, LINE 4B

EMERGENCY DEPARTMENT

BID-MILTON PROVIDES 24 HOUR EMERGENCY SERVICES FOR PEOPLE OF ALL AGES IN OUR COMMUNITIES. THESE SERVICES ARE PROVIDED TO ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY.

AS NOTED IN THIS FILING, BIDMC IS A NATIONALLY RECOGNIZED TERTIARY CARE ACADEMIC MEDICAL CENTER AND TEACHING HOSPITAL OF HARVARD MEDICAL SCHOOL AND THE SOLE MEMBER OF BID-MILTON. ASSOCIATED PHYSICIANS OF HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER (APHMFP) IS AN INTEGRALLY RELATED PHYSICIAN PRACTICE OF BIDMC AND IS ALSO EXEMPT FROM INCOME TAX UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. APHMFP PHYSICIANS PROVIDE AROUND THE CLOCK PHYSICIAN PATIENT CARE COVERAGE AND MEDICAL DIRECTION OF THE BID-MILTON EMERGENCY DEPARTMENT. THESE PHYSICIANS ARE ALL CERTIFIED OR BOARD-ELIGIBLE IN LEVEL 1 TRAUMA.

DURING THE FISCAL YEAR COVERED BY THIS FILING, BID-MILTON HAD 25,297 EMERGENCY DEPARTMENT VISITS.

FORM 990, PART III, LINE 4C

OUTPATIENT SURGICAL AND OBSERVATION CARE

DURING THE FISCAL YEAR COVERED BY THIS FILING, BID-MILTON HAD 7,544 SURGICAL AND 973 OBSERVATION CASES.

Name of the organization	Employer identification number
BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.	04-2103604

FORM 990, PART III, LINE 4D

OTHER PROGRAM SERVICE ACCOMPLISHMENTS - OUTPATIENT HEALTHCARE SERVICES

BID-MILTON PROVIDES A FULL COMPLEMENT OF OUTPATIENT HEALTH SERVICES FOR PATIENTS OF ALL AGES. DURING THE PERIOD COVERED BY THIS FILING, THE HOSPITAL PERFORMED 156,433 OUTPATIENT LAB TESTS, 50,159 OUTPATIENT IMAGING TESTS, HAD 35,202 REHABILITATION VISITS AND PERFORMED 9,672 OTHER PROCEDURES AND TESTS NOT INCLUDED IN THE DETAIL ABOVE.

QUESTION 12 AND 12A - STATEMENT RE AUDITED FINANCIAL STATEMENTS

THE BOSTON, MA OFFICE OF KPMG ISSUED AN UNQUALIFIED OPINION ON THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF BETH ISRAEL DEACONESS HOSPITAL - MILTON AND ITS AFFILIATES FOR FISCAL YEAR ENDED SEPTEMBER 30, 2012. THESE STATEMENTS WERE PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) AND INCLUDED THE ACCOUNTS OF BETH ISRAEL DEACONESS HOSPITAL - MILTON, COMMUNITY PHYSICIAN ASSOCIATES, THE MILTON HOSPITAL FOUNDATION, THE MILTON HOSPITAL DEVELOPMENT FUND AS WELL AS ALL ENTITIES FOR WHICH THESE ENTITIES SERVE AS MEMBER OR PARENT.

FORM 990, PART VI, SECTION A, LINE 2: AS NOTED IN VARIOUS NARRATIVE DISCLOSURES WHICH SUPPORT THIS FORM 990 AND RELATED SCHEDULES, CAREGROUP, INC. (CAREGROUP) IS A MASSACHUSETTS NON-PROFIT CORPORATION EXEMPT FROM INCOME TAX UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. CAREGROUP'S PURPOSE IS TO OVERSEE THE FINANCIAL WELL-BEING OF THE AFFILIATED ENTITIES WHICH MAKE UP THE CAREGROUP SYSTEM.

Name of the organization: BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number: 04-2103604

CAREGROUP SERVES AS THE SOLE MEMBER AND A SUPPORT ORGANIZATION OF BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC OR MEDICAL CENTER). BIDMC IS THE SOLE MEMBER OF BETH ISRAEL DEACONESS HOSPITAL - NEEDHAM, INC. (BIDN), MEDICAL CARE OF BOSTON MANAGEMENT CORPORATION, D/B/A AFFILIATED PHYSICIANS GROUP (APG) AND BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC. (BID-MILTON). IN ADDITION, HARVARD MEDICAL FACULTY PHYSICIANS AT BETH ISRAEL DEACONESS MEDICAL CENTER, INC. (HMFP) IS THE DEDICATED PHYSICIAN PRACTICE OF THE MEDICAL CENTER AND AN ENTITY INTEGRALLY RELATED TO HELPING THE MEDICAL CENTER ACCOMPLISH ITS CHARITABLE PURPOSES. CAREGROUP ALSO SERVES AS THE SOLE MEMBER AND A SUPPORT ORGANIZATION OF NEW ENGLAND BAPTIST HOSPITAL (NEBH) AND MOUNT AUBURN HOSPITAL (MAH), WHICH IN TURN SERVE AS THE SOLE MEMBER OF NEW ENGLAND BAPTIST MEDICAL ASSOCIATES (NEBMA) AND MOUNT AUBURN PROFESSIONAL SERVICES (MAPS), RESPECTIVELY. EACH OF THE ENTITIES LISTED IN THIS PARAGRAPH MAY, IN TURN, SERVE AS MEMBER OF ADDITIONAL ENTITIES WITHIN THE CAREGROUP NETWORK OF AFFILIATES.

TWO OR MORE OF THE PERSONS LISTED IN THIS FORM 990 PART VII HAVE A BUSINESS RELATIONSHIP WITH EACH OTHER BY VIRTUE OF SITTING ON ONE OR BOARDS OF DIRECTORS/TRUSTEES OR BY SERVING IN EMPLOYMENT RELATIONSHIP ONE OR MORE ENTITIES WITHIN THE CAREGROUP NETWORK OF AFFILIATED ORGANIZATIONS. ADDITIONAL DETAIL IS PROVIDED IN THE EXPLANATORY NOTES TO THIS FORM 990 SCHEDULE J.

FORM 990, PART VI, SECTION A, LINE 4: BIDM WAS AQUIRED BY BIDMC AND AS PART OF THE NEW RELATIONSHIP HAS CHANGED ITS NAME FROM MILTON HOSPITAL, INC. TO BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

PLEASE SEE THE ATTACHED AMENDED DOCUMENTS WHICH REFLECT THAT NAME CHANGE.

Name of the organization: BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number: 04-2103604

FORM 990, PART VI, SECTION A, LINE 6: BETH ISRAEL DEACONESS MEDICAL CENTER (BIDMC OR MEDICAL CENTER) IS A TERTIARY CARE ACADEMIC MEDICAL CENTER. BIDMC, A FLAGSHIP TEACHING HOSPITAL OF HARVARD MEDICAL SCHOOL, IS KNOWN FOR ITS EXEMPLARY PATIENT CARE, CONDUCTING "LEADING EDGE" CLINICAL AND BASIC SCIENCE RESEARCH AND SUPPORTING OUTSTANDING EDUCATIONAL PROGRAMS.

FORM 990, PART VI, SECTION A, LINE 7A: BIDMC IS A HOSPITAL EXEMPT FROM INCOME TAX UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE (IRC) OF 1986 AS AMENDED, AND ACTING THROUGH ITS BOARD OF DIRECTORS, IS THE SOLE MEMBER OF BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC (BID-MILTON OR HOSPITAL).

FORM 990, PART VI, SECTION A, LINE 7B: PURSUANT TO THE GOVERNING DOCUMENTS OF BID-MILTON, THE MEDICAL CENTER AS SOLE MEMBER HAS THE RIGHT TO APPOINT THREE OF THE HOSPITAL'S UP TO TWENTY (20) VOTING DIRECTORS. ADDITIONALLY, PURSUANT TO THE BID-MILTON BY-LAWS, THE MEDICAL CENTER HAS THE FOLLOWING RIGHTS:

1. THE MEMBER SHALL HAVE THE FOLLOWING RESERVED POWERS WHICH IT MAY EXERCISE ON ITS OWN INITIATIVE UPON A TWO-THIRDS (2/3) VOTE OF ITS DIRECTORS ELIGIBLE TO VOTE ON ITS BOARD OF DIRECTORS, WITH OR WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS OF THE HOSPITAL, OR UPON A MAJORITY VOTE OF ITS DIRECTORS ELIGIBLE TO VOTE IN THE EVENT THE BOARD OF DIRECTORS OF THE HOSPITAL HAS RECOMMENDED ANY OF THE LISTED ACTIONS:

A) REMOVE A MEMBER OF THE HOSPITAL'S BOARD OF DIRECTORS, BUT ONLY AFTER NOTIFYING THE CHAIR OF THE HOSPITAL IN THE EVENT THE DIRECTOR THAT IS SUBJECT TO REMOVAL IS NOT A DIRECTOR WHO WAS APPOINTED BY THE MEMBER;

Name of the organization BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number 04-2103604

B) ESTABLISH OR MODIFY THE COMPENSATION OF, AND/OR REMOVE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE HOSPITAL UPON PRIOR CONSULTATION WITH THE HOSPITAL'S BOARD OF DIRECTORS;

C) AMEND THE HOSPITAL'S BYLAWS OR ARTICLES OF ORGANIZATION;

D) CAUSE THE HOSPITAL TO ENTER INTO:

(I) MANAGED CARE CONTRACTS, OTHER PAYER AGREEMENTS, EXCLUSIVE CONTRACTS, AGREEMENTS-NOT-TO-COMPETE, OR SIMILAR ARRANGEMENTS

(II) CONTRACTS FOR MANAGEMENT SERVICES WITH POTENTIALLY SIGNIFICANT MULTI-YEAR BUDGETARY IMPACT; OR

(III) OTHER MULTI-YEAR SERVICE CONTRACTS WITH POTENTIALLY SIGNIFICANT MULTI-YEAR BUDGETARY IMPACT;

E) MERGE OR OTHERWISE CONSOLIDATE THE HOSPITAL WITH ANOTHER ENTITY;

F) DISPOSE OF ALL OR SUBSTANTIALLY ALL OF THE HOSPITAL'S PROPERTY AND ASSETS OR DISPOSE OF ANY HOSPITAL SUBSIDIARY OR AFFILIATED CORPORATIONS;

G) CREATE OR ACQUIRE A HOSPITAL SUBSIDIARY OR AFFILIATED CORPORATION;

H) DISCONTINUE OR INSTITUTE A CLINICAL DEPARTMENT OR DEPARTMENTS OR PROGRAMS, WHEN THE CONTINUED OPERATION OF OR FAILURE TO INSTITUTE SUCH DEPARTMENT(S) OR PROGRAM(S) COULD REASONABLY BE ANTICIPATED TO MATERIALLY AND ADVERSELY AFFECT THE HOSPITAL'S FINANCIAL STATUS OR ITS ABILITY TO CONTINUE TO CONDUCT ITS BUSINESS;

I) TO THE EXTENT LEGALLY PERMISSIBLE, TAKE SUCH ACTIONS TO CAUSE ASSETS OF THE HOSPITAL TO BE TRANSFERRED, OTHER THAN IN THE ORDINARY COURSE OF CONDUCT OF HOSPITAL BUSINESS, TO THE MEMBER TO ADVANCE THE CHARITABLE PURPOSES OF THE MEMBER OR THE HOSPITAL; AND

J) TO DISSOLVE THE HOSPITAL TO THE EXTENT PERMITTED BY LAW.

2. IN ADDITION, THE FOLLOWING ACTIONS OF THE HOSPITAL'S BOARD OF DIRECTORS REQUIRE THE PRIOR APPROVAL OF THE MEMBER:

Name of the organization BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number 04-2103604

A) THE HOSPITAL'S STRATEGIC, FINANCIAL AND OPERATIONAL PLANS;

B) THE HOSPITAL'S ANNUAL OPERATING AND CAPITAL BUDGETS;

C) CAPITAL EXPENDITURES BEYOND THE APPROVED CAPITAL BUDGET, PROVIDED, HOWEVER, THAT THE MEMBER WILL APPROVE THROUGH A STANDING RESOLUTION CAPITAL EXPENDITURES NOT INCLUDED IN AN APPROVED CAPITAL BUDGET SO LONG AS IN ANY FISCAL YEAR SUCH CAPITAL EXPENDITURES ARE NOT IN THE AGGREGATE IN EXCESS OF FIVE PERCENT (5%) OF THE MOST RECENT APPROVED ANNUAL CAPITAL BUDGET;

D) THE BORROWING OF, OR INCURRENCE OF DEBT IN, ANY AMOUNT OTHER THAN:

(I) FOR PURPOSES OF SECURING WORKING CAPITAL FROM A LENDER WHICH SHALL HAVE BEEN APPROVED BY THE MEMBER AND PURSUANT TO THEN EXISTING LOAN DOCUMENTATION CONTAINING THE TERMS AND PROVISIONS RELATING TO SUCH BORROWING WHICH SHALL HAVE BEEN APPROVED BY THE MEMBER; AND,

(II) DEBT INCURRED IN THE ORDINARY COURSE OF BUSINESS WHICH IS ANTICIPATED IN AND CONSISTENT WITH THE ANNUAL OPERATING BUDGET OR A CAPITAL BUDGET WHICH SHALL HAVE BEEN APPROVED BY THE MEMBER FOR THE YEAR IN WHICH INCURRED FOR THE HOSPITAL;

E) THE APPOINTMENT OF THE INDEPENDENT AUDITOR AND APPROVAL OF THE INDEPENDENT FINANCIAL AUDITS;

F) ENTRY INTO MANAGED CARE CONTRACTS, EXCLUSIVE CONTRACTS AND OTHER MULTI-YEAR MATERIAL CONTRACTS;

G) ENTRY INTO ANY PARTNERSHIP/AFFILIATION ARRANGEMENTS OR JOINT VENTURE PROPOSALS;

H) THE CREATION, ACQUISITION OR DISPOSAL OF ANY SUBSIDIARY OR AFFILIATED CORPORATION;

I) THE ADDITION OR ELIMINATION OF ANY CLINICAL DEPARTMENTS OR PROGRAMS; AND

J) AMENDMENTS TO THE BYLAWS OR ARTICLES OF ORGANIZATION OF THE HOSPITAL.

FORM 990, PART VI, SECTION B, LINE 11: PRIOR TO FILING THE FORM 990,

Name of the organization BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number 04-2103604

RELATED SCHEDULES AND REQUIRED DISCLOSURES (RETURN), THE RETURN IS REVIEWED BY BID-MILTON'S CHIEF FINANCIAL OFFICER, THE TAX DIRECTOR OF CAREGROUP, AND THE RETURN IS REVIEWED AND SIGNED BY DELOITTE TAX, LLP. AS NOTED IN THIS RETURN, CAREGROUP IS THE SOLE MEMBER OF BETH ISRAEL DEACONESS MEDICAL CENTER WHICH IS, IN TURN, THE SOLE MEMBER OF BID-MILTON. THE COMPLETE FORM 990, INCLUDING ALL SCHEDULES AND ATTACHMENTS, IS PRESENTED TO THE BID-MILTON AUDIT COMMITTEE FOR REVIEW AND DISCUSSION. A COPY OF THE COMPLETE RETURN IS THEN PROVIDED TO EACH MEMBER OF THE BID-MILTON BOARD OF DIRECTORS PRIOR TO SUBMISSION TO THE INTERNAL REVENUE SERVICE.

QUESTION 7G CONTRIBUTIONS OF INTELLECTUAL PROPERTY

BETH ISRAEL DEACONESS HOSPITAL - MILTON DID NOT RECEIVE ANY CONTRIBUTIONS OF INTELLECTUAL PROPERTY AND AS SUCH, WAS NOT REQUIRED TO FILE FORM 8899.

QUESTION 7H CONTRIBUTIONS OF CARS, BOATS, AIRPLANES AND OTHER VEHICLES

BETH ISRAEL DEACONESS HOSPITAL -MILTON DID NOT RECEIVE ANY CONTRIBUTIONS OF CARS, BOATS, AIRPLANES OR OTHER VEHICLES AND AS SUCH, WAS NOT REQUIRED TO FILE FORM 1098-C.

FORM 990, PART VI, SECTION B, LINE 12C: BETH ISRAEL DEACONESS HOSPITAL - MILTON (BID-MILTON OR HOSPITAL) HAS A WRITTEN, COMPREHENSIVE CONFLICT OF INTEREST POLICY. PURSUANT TO THAT POLICY, ALL OFFICERS, DIRECTORS AND KEY EMPLOYEES OF BID-MILTON ARE ASKED TO COMPLETE AN ANNUAL CONFLICT OF INTEREST FORM WHICH IS DESIGNED TO REQUIRE DISCLOSURE OF ANY BUSINESS RELATIONSHIPS MAINTAINED BY OFFICERS, DIRECTORS OR KEY EMPLOYEES AND THEIR FAMILY MEMBERS AND WHICH MAY RESULT IN A CONFLICT OF INTEREST.

Name of the organization BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number 04-2103604

THE ANNUAL CONFLICT OF INTEREST PROCESS IS ADMINISTERED THROUGH THE OFFICE OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER. ANY ACTIVITY THAT REQUIRES ACTION UNDER THE CONFLICT OF INTEREST POLICY IS SUBJECT TO ONGOING REVIEW BY BID-MILTON. PURSUANT TO THE CONFLICT OF INTEREST POLICY, CERTAIN ACTIVITIES WHICH COULD CREATE CONFLICTS OF INTEREST ARE PROHIBITED WHILE OTHER TYPES OF RELATIONSHIPS ARE PERMITTED, SUBJECT TO COMPLIANCE WITH A PLAN TO REQUIRE DISCLOSURE AND RECUSAL, INCLUDING APPROPRIATE DOCUMENTATION IN THE MINUTES.

IN ADDITION TO THE CONFLICT OF INTEREST PROCESS OUTLINED ABOVE, THE CAREGROUP TAX DEPARTMENT ISSUES AN ANNUAL TAX QUESTIONNAIRE TO ALL CURRENT AND FORMER MEMBERS OF THE BID-MILTON BOARD OF DIRECTORS AS WELL AS CURRENT AND FORMER BID-MILTON OFFICERS AND KEY EMPLOYEES. THE TAX QUESTIONNAIRE IS DESIGNED TO GATHER THE INFORMATION NECESSARY FOR THE HOSPITAL TO COMPLETELY AND ACCURATELY PROCESS AND COMPLETE FORM 990 SCHEDULE L, TRANSACTIONS WITH INTERESTED PERSONS AND FORM 990 PART VI QUESTION 2, FAMILY AND BUSINESS RELATIONSHIPS BETWEEN OFFICERS, DIRECTORS/TRUSTEES AND KEY EMPLOYEES.

FORM 990, PART VI, SECTION B, LINE 15: BETH ISRAEL DEACONESS HOSPITAL - MILTON (BID-MILTON) HAS A COMPENSATION COMMITTEE THAT IS COMPOSED OF THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS. ALL MEMBERS ARE INDEPENDENT. THE BID-MILTON COMPENSATION COMMITTEE ESTABLISHES THE POLICIES AND THE COMPENSATION STRUCTURE OF THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER. BIDMC IS THE SOLE MEMBER OF BID-MILTON. THE BID-MILTON COMPENSATION COMMITTEE IS RESPONSIBLE FOR ASSURING THAT THE TOTAL COMPENSATION PROVIDED TO THESE INDIVIDUALS IS FAIR AND REASONABLE USING CURRENT AND CREDIBLE MARKET PRACTICE INFORMATION AND THAT IT COMPLIES

Name of the organization BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number 04-2103604

WITH APPLICABLE LEGAL AND REGULATORY GUIDELINES.

IN SETTING COMPENSATION, THE COMPENSATION COMMITTEE RELIED UPON WRITTEN COMPENSATION SURVEYS/STUDIES PRODUCED BY AN INDEPENDENT COMPENSATION CONSULTING FIRM THAT REGULARLY ASSESSES EXECUTIVE COMPENSATION AND BENEFITS OF SIMILAR ORGANIZATIONS. THE COMPENSATION COMMITTEE MET TO REVIEW THE COMPENSATION STRUCTURE OF THE INDIVIDUALS DESCRIBED ABOVE AND AT THAT TIME REVIEWED THE COMPENSATION SURVEY DATA PREPARED BY AN INDEPENDENT COMPENSATION CONSULTING FIRM. TO ENSURE INDEPENDENCE, NO BID-MILTON STAFF THAT MIGHT PROVIDE ADMINISTRATIVE SUPPORT TO THIS COMMITTEE WAS PRESENT FOR THESE DISCUSSIONS. THE COMPENSATION COMMITTEE VOTED TO APPROVE THE COMPENSATION ARRANGEMENTS OF ALL INDIVIDUALS DESCRIBED ABOVE EXCEPT FOR THE CEO.

THE COMPENSATION PACKAGE FOR THE CEO WAS SUBMITTED TO THE FULL BID-MILTON BOARD OF DIRECTORS FOR APPROVAL. ALL DELIBERATIONS WERE CONTEMPORANEOUSLY DOCUMENTED IN MINUTES.

FORM 990, PART VI, SECTION C, LINE 19: THE GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE GENERAL PUBLIC UPON REQUEST AT THE FOLLOWING LOCATION:

BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.
199 REEDSDALE ROAD
MILTON, MA 02186

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED GAINS ON INVESTMENTS: 1,860,650.

Name of the organization BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number 04-2103604

NET TRANSFER FROM AFFILIATES	1,378,415.
EFFECTS OF AFFILIATION	33,971,418.
OTHER CHANGES IN FUND BALANCE	-702,866.
NET ASSETS RELEASED FROM RESTRICTIONS	-79,793.
EMPLOYEE BENEFIT AND RENSION FUNDS	-3,120,824.
RECLASS BETWEEN ENTITIES	-2,676,887.
TOTAL TO FORM 990, PART XI, LINE 5	30,630,113.

FORM 990 PART XII, FINANCIAL STATEMENTS AND COMMITTEE OVERSIGHT

AS PREVIOUSLY REPORTED IN THIS FILING, THE BOSTON, MA OFFICE OF KPMG ISSUED AN UNQUALIFIED OPINION ON THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF BETH ISRAEL DEACONESS HOSPITAL - MILTON AND ITS AFFILIATES FOR FISCAL YEAR ENDED SEPTEMBER 30, 2012. THESE STATEMENTS WERE PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) AND INCLUDED THE ACCOUNTS OF BETH ISRAEL DEACONESS HOSPITAL - MILTON, COMMUNITY PHYSICIAN ASSOCIATES, THE MILTON HOSPITAL FOUNDATION, THE MILTON HOSPITAL DEVELOPMENT FUND AS WELL AS ALL ENTITIES FOR WHICH THESE ENTITIES SERVE AS MEMBER OR PARENT. IN ADDITION, AS PREVIOUSLY NOTED, BETH ISRAEL DEACONESS MEDICAL CENTER, A TERTIARY CARE ACADEMIC MEDICAL CENTER, FLAGSHIP TEACHING HOSPITAL OF HARVARD MEDICAL SCHOOL, AN ENTITY EXEMPT FROM INCOME TAXES UNDER 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, IS THE SOLE MEMBER OF BID-MILTON AND THE FINANCIAL RECORDS OF BID-MILTON ARE ALSO PART OF THE BIDMC CONSOLIDATED AUDITED FINANCIAL STATEMENT PROCESS,. FOR THE PERIOD COVERED BY THIS FILING THE BOSTON, MA OFFICE OF KPMG ISSUED AN UNQUALIFIED OPINION ON BOTH SETS OF FINANCIAL STATEMENTS. THE BID-MILTON PROCESS IS MONITORED AND REVIEWED INTERNALLY BY THE BID-MILTON AUDIT COMMITTEE AND THE MEDICAL CENTER COMPLIANCE, AUDIT AND

Name of the organization	Employer identification number
BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.	04-2103604

RISK COMMITTEE.

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: BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

Employer identification number: 04-2103604

Part I **Identification of Disregarded Entities** (Complete if the organization answered "Yes" to 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" to 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 entity? Yes	(g) No
ASSOC PHYS HARVARD MED FAC PHY AT BIDMC - 32-0058309, 375 LONGWOOD AVE, BOSTON, MA 02215	TO PROVIDE EMERGENCY MEDICAL SERVICES	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HARVARD MED FAC PHYS AT BIDMC		X
BI ANAESTHESIA FOUNDATION, INC. - 04-2997215 330 BROOKLINE AVE BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X
BI COMMUNITY FOUNDATION, INC. - 04-2776678 330 BROOKLINE AVE BOSTON, MA 02215	INACTIVE CORPORATION	MASSACHUSETTS	501(C)(3)	LINE 7	N/A		X
BI DEACONESS DEPARTMENT OF MEDICINE FOUNDATION, INC. - 04-3079630, 330 BROOKLINE AVE, BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	(g) No
BI DEACONESS DEPARTMENT OF NEONATOLOGY FOUNDATION, INC. - 20-8253452, 330 BROOKLINE AVE, BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X
BI DEACONESS DEPARTMENT OF NEUROLOGY FOUNDATION, INC. - 04-3030397, 330 BROOKLINE AVE, BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X
BI DEACONESS DEPARTMENT OF ORTHOPAEDIC SURGERY FOUNDATION, INC. - 20-4974585, 330 BROOKLINE AVE, BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X
BI DEACONESS DEPARTMENT OF SURGERY FOUNDATION, INC. - 02-0671240, 110 FRANCIS STREET, BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X
BI DEACONESS HOSPITAL - NEEDHAM, INC. - 04-3229679, 148 CHESTNUT ST, NEEDHAM, MA 02492	HOSPITAL FOR THE TREATMENT, CARE AND RELIEF OF SICK AND SUFFERING	MASSACHUSETTS	501(C)(3)	LINE 3	BETH ISRAEL DEACONESS MEDICAL CENTER, INC.		X
BETH ISRAEL DEACONESS MEDICAL CENTER - 04-2103881, 330 BROOKLINE AVE, BOSTON, MA 02215	THE OPERAION OF A WORLD CLASS ACADEMIC MEDICAL CENTER IN BOSTON, MA	MASSACHUSETTS	501(C)(3)	LINE 3	CAREGROUP, INC.		X
BIDMC AND CHILDREN'S HOSPITAL MEDICAL CARE CORP - 04-3200113, 300 LONGWOOD AVE, BOSTON, MA 02215	OUTPATIENT AMBULATORY CARE CENTER IN LEXINGTON, MA	MASSACHUSETTS	501(C)(3)	LINE 11A, I	N/A		X
BIDMC OBSTETRICS AND GYNECOLOGY FOUNDATION, INC. - 04-2794855, 330 BROOKLINE AVE, BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X
BI DERMATOLOGY FOUNDATION, INC. - 04-3117601 330 BROOKLINE AVE BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X
BIH PATHOLOGY FOUNDATION, INC. - 22-2548374 330 BROOKLINE AVE BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X
BIH RADIOLOGIC FOUNDATION, INC. - 04-2571853 330 BROOKLINE AVE BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X
CARDIOVASCULAR ASSOC PHYS OF HMFP AT BIDMC, INC. - 04-3208878, 185 PILGRIM ROAD BOSTON, MA 02215, BOSTON, MA 02215	SPECIALIZED CARDIOVASCULAR MED SVCS TO PATIENTS OF CARDIO VSUCAL INSTITUTES	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	(g) No
CAREGROUP, INC. - 22-2629185 109 BROOKLINE AVE BOSTON, MA 02215	DEVELOP AND COORDINATE INTEGRATED HEALTH CARE DELIVERY SYSTEM	MASSACHUSETTS	501(C)(3)	LINE 11D, III-O	N/A		X
CARL J. SHAPIRO INSTITUTE - 04-3326928 330 BROOKLINE AVE BOSTON, MA 02215	DEVELOP INNOVATIVE PROG AND MODELS FOR TEACHING AND RESEARCH	MASSACHUSETTS	501(C)(3)	LINE 11A, I	N/A		X
CONTINUING EDU PROGRAM, D/B/A BID DEPT OF PSYCH FDN - 04-3242952, C/O HARVARD MED SCH, 401 PARK DR, BOSTON, MA 02215	PATIENT CARE, RESEARCH AND TEACHING MISSIONS OF BIDMC, HFMP AND HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	HMFP AT BIDMC		X
JOSLIN CLINIC INC. - 22-2984590 ONE JOSLIN PLACE BOSTON, MA 02215	TO PROVIDE SPECIALTY MEDICAL AND RESEARCH SERVICES FOR DIABETES	MASSACHUSETTS	501(C)(3)	LINE 11A, I	N/A		X
MED CARE OF BOSTON MGMT CORP D/B/A AFFILIATED PHYS GROUP - 04-2810972, 400 HUNNEWELL ST, NEEDHAM, MA 02494	OUTPATIENT, PRIMARY CARE, AND CARDIOLOGY SERVICES	MASSACHUSETTS	501(C)(3)	LINE 9	BETH ISRAEL DEACONESS MEDICAL CENTER, INC.		X
MOUNT AUBURN HOSPITAL - 04-2103606 330 MOUNT AUBURN ST CAMBRIDGE, MA 02138	HOSPITAL FOR THE TREATMENT, CARE AND RELIEF OF SICK AND SUFFERING	MASSACHUSETTS	501(C)(3)	LINE 3	CAREGROUP, INC.		X
MOUNT AUBURN PROFESSIONAL SERVICES, INC. - 04-3026897, 330 MOUNT AUBURN ST, CAMBRIDGE, MA 02138	OFFERING MEDICAL CARE IN GENERAL AND SPECIALIZED PRACTICES	MASSACHUSETTS	501(C)(3)	LINE 11A, I	MOUNT AUBURN HOSPITAL		X
NEW ENGLAND BAPTIST HOSPITAL - 04-2103612 125 PARKER HILL AVE BOSTON, MA 02120	ORTHOPEDIC SPECIALTY HOSPITAL	MASSACHUSETTS	501(C)(3)	LINE 3	CAREGROUP, INC.		X
NEW ENGLAND BAPTIST MEDICAL ASSOCIATES, INC. - 04-3235796, 125 PARKER HILL AVE, BOSTON, MA 02120	OUTPATIENT MEDICAL SERVICES TO THE VARIOUS COMMUNITIES SERVICED BY	MASSACHUSETTS	501(C)(3)	LINE 3	NEW ENGLAND BAPTIST HOSPITAL, INC.		X
RIVERBROOK CORPORATION - 04-2828955 109 BROOKLINE AVE BOSTON, MA 02215	TO HOLD TITLE TO PROPERTY FOR CAREGROUP, INC.	MASSACHUSETTS	501(C)(2)		CAREGROUP, INC.		X
HARVARD MEDICAL COLLABORATIVE, INC. - 04-3476764, 25 SHATTUCK ST, BOSTON, MA 02115	COORDINATE AND PROVIDE STATEGIC PLANNING OPP FOR HMS	MASSACHUSETTS	501(C)(3)	LINE 11A, I	N/A		X
HARVARD MEDICAL FACULTY PHYSICIANS AT BIDMC, INC. - 22-2768204, 375 LONGWOOD AVE, BOSTON, MA 02215	GENERAL AND SPECIALIZED MEDICAL SERVICES TO THE PATIENTS OF BIDMC AND	MASSACHUSETTS	501(C)(3)	LINE 9	BETH ISRAEL DEACONESS MEDICAL CENTER, INC.		X

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	(g) No
BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC. - 04-2103604, 199 REEDSDALE RD., MILTON, MA 02186	PROVIDE CHARITABLE HEALTHCARE SERVICE TO THE COMMUNITY	MASSACHUSETTS	501(C)(3)	LINE 3	MILTON HOSPITAL FOUNDATION, INC.		X
MILTON HOSPITAL DEVELOPMENT FUND, INC. - 22-2567057, 199 REEDSDALE RD., MILTON, MA 02186	FUNDRAISING/DEVELOPMENT	MASSACHUSETTS	501(C)(3)	LINE 7	MILTON HOSPITAL FOUNDATION, INC.		X
COMMUNITY PHYSICIAN ASSOCIATES, INC. - 04-3243146, 199 REEDSDALE RD., MILTON, MA 02186	OUTPATIENT AND PRIMARY CARE SERVICES	MASSACHUSETTS	501(C)(3)	LINE 3	MILTON HOSPITAL FOUNDATION, INC.		X
MILTON HOSPITAL FOUNDATION, INC. - 22-2566792, 199 REEDSDALE RD., MILTON, MA 02186	PROMOTE HEALTHCARE	MASSACHUSETTS	501(C)(3)	LINE 11A, I	BETH ISRAEL DEACONESS MEDICAL CENTER, INC.		X
SOUTHEASTERN MASSACHUSETTS REGIONAL HEALTHCARE INFORMATION ORG - 56-2645920, 92 HIGHLAND STREET, MILTON, MA 02186	INACTIVE	MASSACHUSETTS			BETH ISRAEL DEACONESS HOSPITAL -		X

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
ADVANCED VASCULAR CARE LLC - 26-1647880, 375 LONGWOOD AVE, BOSTON, MA 02215	TO PROVIDE MEDICAL SUPPORT SERVICES	MA	HARVARD MEDICAL FACULTY PHYSICIANS AT	RELATED				X	N/A		X	
BETH ISRAEL DEACONESS PHYSICIAN ORG LLC - 04-3426253, 110 FRANCIS STREET, BOSTON, MA 02215	COORDINATED, SAFE AND COST EFFECTIVE PATIENT CARE AT	MA	HARVARD MEDICAL FACULTY PHYSICIANS AT	RELATED				X	N/A		X	
CAREGROUP CLINICAL RESEARCH LLC - 30-0228711, 109 BROOKLINE AVENUE, BOSTON, MA 02215	TO PARTICIPATE IN A CLINICAL RESEARCH PARTNERSHIP	MA	NONE	RELATED				X	N/A		X	
CAREGROUP INVESTMENT PARTNERSHIP LLP - 04-3278109, 109 BROOKLINE AVENUE, BOSTON, MA 02215	INVESTMENT PARTNERSHIP	MA	BETH ISRAEL DEACONESS MEDICAL CENTER	EXCLUDED				X	N/A		X	

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" to 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
BIDMC/CGSMC JV, INC. - 26-4426847 400 HUNNEWELL STREET NEEDHAM, MA 02494	INACTIVE CORPORATION	MA	N/A	C CORP	0.	0.	.00%
CHESTNUT HEALTHCARE ALLIANCE, INC. - 04-3265117 148 CHESTNUT STREET NEEDHAM, MA 02492	PHYSICIAN/HOSPITAL ORGANIZATION	MA	N/A	C CORP	0.	0.	.00%
HORIZON VENTURES, INC. - 04-2853249 199 REEDSDALE ROAD MILTON, MA 02186	PHYSICIAN BILLING	MA	MILTON HOSPITAL FOUNDATION	C CORP	0.	0.	.00%
MILTON PHYSICIAN-HOSPITAL ORGANIZATION, INC. - 04-3213042, 199 REEDSDALE ROAD, MILTON, MA 02186	PHYSICIAN/HOSPITAL ORGANIZATION	MA	BETH ISRAEL DEACONESS HOSPITAL -	C CORP	517,576.	134,020.	64.00%
ANESTHESIA FINANCIAL SOLUTIONS, INC. - 04-3571311 330 BROOKLINE AVE BOSTON, MA 02215	INACTIVE CORPORATION	MA	BI ANAESTHESIA FOUNDATION, INC.	C CORP	0.	0.	.00%

SEE PART VII FOR CONTINUATIONS

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
CHARLTON MRI SERVICES LLC - 26-4662778, 330 BROOKLINE AVENUE, BOSTON, MA 02215	PROVISION OF PATIENT CARE SERVICES	MA	BIH RADIOLOGIC FOUNDATION, INC.	RELATED				X	N/A		X	
PHYSICIAN PROFESSIONAL SERVICES LLP - 04-3275078, 10 CABOT ROAD, MEDFORD, MA 02215	TO PROVIDE MEDICAL BILLING SERVICES	MA	SEE SUPPLEMENTAL EXPLANATIONS	RELATED				X	N/A		X	

Part V **Transactions With Related Organizations** (Complete if the organization answered "Yes" to 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 of this schedule.

			Yes	No
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 or **(iv)** rent from a controlled entity	1a		X
b	Gift, grant, or capital contribution to related organization(s)	1b		X
c	Gift, grant, or capital contribution from related organization(s)	1c	X	
d	Loans or loan guarantees to or for related organization(s)	1d		X
e	Loans or loan guarantees by related organization(s)	1e	X	
f	Sale of assets to related organization(s)	1f		X
g	Purchase of assets from related organization(s)	1g		X
h	Exchange of assets with related organization(s)	1h		X
i	Lease of facilities, equipment, or other assets to related organization(s)	1i	X	
j	Lease of facilities, equipment, or other assets from related organization(s)	1j		X
k	Performance of services or membership or fundraising solicitations for related organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations by related organization(s)	1l	X	
m	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	X	
n	Sharing of paid employees with related organization(s)	1n	X	
o	Reimbursement paid to related organization(s) for expenses	1o	X	
p	Reimbursement paid by related organization(s) for expenses	1p	X	
q	Other transfer of cash or property to related organization(s)	1q	X	
r	Other transfer of cash or property from related organization(s)	1r	X	

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

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

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners sec 501(c)(3) orgs ? Yes	(e) No	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) NO	(k) Percentage ownership

Part VII Supplemental Information

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

PART II, IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS:

NAME OF RELATED ORGANIZATION:

BI DEACONESS HOSPITAL - NEEDHAM, INC.

PRIMARY ACTIVITY: HOSPITAL FOR THE TREATMENT, CARE AND RELIEF OF SICK AND SUFFERING PERSONS.

NAME OF RELATED ORGANIZATION:

MOUNT AUBURN HOSPITAL

PRIMARY ACTIVITY: HOSPITAL FOR THE TREATMENT, CARE AND RELIEF OF SICK AND SUFFERING PERSONS

NAME OF RELATED ORGANIZATION:

NEW ENGLAND BAPTIST MEDICAL ASSOCIATES, INC.

PRIMARY ACTIVITY: OUTPATIENT MEDICAL SERVICES TO THE VARIOUS COMMUNITIES SERVICED BY NEBH

NAME OF RELATED ORGANIZATION:

HARVARD MEDICAL FACULTY PHYSICIANS AT BIDMC, INC.

PRIMARY ACTIVITY: GENERAL AND SPECIALIZED MEDICAL SERVICES TO THE PATIENTS OF BIDMC AND OTHERS

NAME OF RELATED ORGANIZATION:

SOUTHEASTERN MASSACHUSETTS REGIONAL HEALTHCARE INFORMATION ORG

DIRECT CONTROLLING ENTITY: BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

PART III, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS PARTNERSHIP:

Part VII Supplemental Information

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

NAME OF RELATED ORGANIZATION:

ADVANCED VASCULAR CARE LLC

DIRECT CONTROLLING ENTITY: HARVARD MEDICAL FACULTY PHYSICIANS AT BIDMC

NAME OF RELATED ORGANIZATION:

BETH ISRAEL DEACONESS PHYSICIAN ORG LLC

PRIMARY ACTIVITY: COORDINATED, SAFE AND COST EFFECTIVE PATIENT CARE AT BIDMC

DIRECT CONTROLLING ENTITY: HARVARD MEDICAL FACULTY PHYSICIANS AT BIDMC

PART IV, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS CORP OR TRUST:

NAME OF RELATED ORGANIZATION:

MILTON PHYSICIAN-HOSPITAL ORGANIZATION, INC.

DIRECT CONTROLLING ENTITY: BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

MA SOC Filing Number: 201272828420 Date: 3/1/2012 12:48:00 PM

The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: $15.00

Secretary of the Commonwealth, Corporations Division
One Ashburton Place, 17th floor
Boston, MA 02108-1512
Telephone: (617) 727-9640

Special Filing Instructions

Articles of Amendment
(General Laws, Chapter 180, Section 7)

Federal Employer Identification Number: 042103604 *(must be 9 digits)*

We, JOSEPH V. MORRISSEY **X President** __ **Vice President,**

and KATHLEEN M. CONLON **X Clerk** __ **Assistant Clerk** ,

of MILTON HOSPITAL, INC.
located at: 199 REEDSDALE ROAD MILTON , MA 02186 USA

do hereby certify that these Articles of Amendment affecting articles numbered:

X Article 1 __ Article 2 __ Article 3 __ Article 4

(Select those articles 1, 2, 3, and/or 4 that are being amended)

of the Articles of Organization were duly adopted at a meeting held on 1/18/2012 , by vote of 1 members, 0 directors, or 0 shareholders,
being at least two-thirds of its members/directors legally qualified to vote in meetings of the corporation (or, in the case of a corporation having capital stock, by the holders of at least two thirds of the capital stock having the right to vote therein):

ARTICLE I

The exact name of the corporation, ***as amended***, is:
(Do not state Article I if it has not been amended.)

BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

ARTICLE II

The purpose of the corporation, ***as amended***, is to engage in the following business activities:
(Do not state Article II if it has not been amended.)

ARTICLE III

A corporation may have one or more classes of members. ***As amended,*** the designation of such classes, the manner of election or appointments, the duration of membership and the qualifications and rights, including voting rights, of the members of each class, may be set forth in the by-laws of the corporation or may be set forth below:

ARTICLE IV

As amended, other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the business entity, or of its

directors or members, or of any class of members, are as follows:
(If there are no provisions state "NONE")

The foregoing amendment(s) will become effective when these Articles of Amendment are filed in accordance with General Laws, Chapter 180, Section 7 unless these articles specify, in accordance with the vote adopting the amendment, a *later* effective date not more than *thirty days* after such filing, in which event the amendment will become effective on such later date.

Later Effective Date:

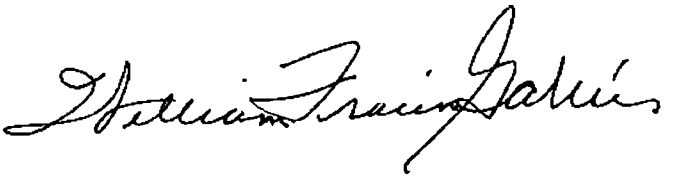
Signed under the penalties of perjury, this 1 Day of March, 2012, JOSEPH V. MORRISSEY , its , President / Vice President,
KATHLEEN M. CONLON , Clerk / Assistant Clerk.

MA SOC Filing Number: 201272828420 Date: 3/1/2012 12:48:00 PM

THE COMMONWEALTH OF MASSACHUSETTS

I hereby certify that, upon examination of this document, duly submitted to me, it appears that the provisions of the General Laws relative to corporations have been complied with, and I hereby approve said articles; and the filing fee having been paid, said articles are deemed to have been filed with me on:

March 01, 2012 12:48 PM



WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

AMENDED AND RESTATED

BYLAWS

OF

BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

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AMENDED AND RESTATED

BYLAWS

OF

BETH ISRAEL DEACONESS HOSPITAL - MILTON, INC.

ARTICLE I

GENERAL

Section 1.1. Corporate Seal. The seal of Beth Israel Deaconess Hospital - Milton Inc. (the "Hospital") shall be in a form selected by the Board of Directors of the Hospital, subject to the approval of the sole corporate member of the Hospital as defined in Section 2.1 below.

Section 1.2. Location. The location of the Hospital shall be the Town of Milton, Norfolk County, and Commonwealth of Massachusetts.

Section 1.3. Fiscal Year. The fiscal year of the Hospital shall begin on the first day of October and shall end on the thirtieth day of September in each year.

Section 1.4. Gender. Whenever used herein, the pronouns in the masculine gender shall include the feminine gender as well.

ARTICLE II

MEMBERSHIP

Section 2.1. Membership. The sole corporate member of the Hospital shall be Beth Israel Deaconess Medical Center, Inc. (the "Member"), a Massachusetts charitable corporation. The Member shall have such powers and authority as are conferred by law, the Articles of Organization of the Hospital (as amended from time to time), or these Bylaws.

Section 2.2. Reserved Powers. The Member shall have the following reserved powers (the "Member Reserved Powers"), which it may exercise on its own initiative upon a two-thirds (2/3) vote of directors eligible to vote on its Board of Directors, with or without the approval of

the Board of Directors of the Hospital, or upon a majority vote of its directors eligible to vote in the event the Board of Directors of the Hospital has recommended any of the listed actions:

(a) Remove a member of the Board of Directors of the Hospital, but only after notifying the Chair of the Hospital in the event the Director that is subject to removal is a Hospital Director, as defined below in Section 3.2;

(b) Establish or modify the compensation of, and/or remove the President and Chief Executive Officer of the Hospital upon prior consultation with the Board of Directors of the Hospital;

(c) Amend the Bylaws or Articles of Organization of the Hospital;

(d) Cause the Hospital to enter into (i) managed care contracts, other payer agreements, exclusive contracts, agreements-not-to-compete, or similar arrangements, (ii) contracts for management services with potentially significant multi-year budgetary impact or (iii) other multi-year service contracts with potentially significant multi-year budgetary impact;

(e) Merge or otherwise consolidate the Hospital with another entity;

(f) Dispose of all or substantially all of the property and assets of the Hospital, or dispose of any subsidiary or affiliated corporations of the Hospital;

(g) Create or acquire a subsidiary or affiliated corporation of the Hospital;

(h) Discontinue or institute a clinical department or departments or programs, when the continued operation of or failure to institute such department(s) or program(s) could reasonably be anticipated to materially and adversely affect the financial status of the Hospital or its ability to continue to conduct its business;

(i) To the extent legally permissible, take such actions to cause assets of the Hospital to be transferred, other than in the ordinary course of conduct of Hospital

business, to the Member to advance the charitable purposes of the Member or the Hospital; and

(j) Dissolve the Hospital to the extent permitted by law.

Section 2.3. Membership Action. Any action required or permitted to be taken by the Member in its capacity as the sole corporate member of the Hospital shall be deemed duly taken upon the authorizing vote of the Board of Directors of the Member and the subsequent certification of that vote by the duly authorized representative of the Member. Any action required or permitted to be taken at any meeting of the Member may be taken without a meeting if the Member consents to the action in writing and a written consent is filed for all purposes as a vote at a meeting. The annual election of the Board of Directors of the Hospital pursuant to Section 3.2 of these Bylaws shall be considered the annual meeting of the membership of the Hospital.

ARTICLE III

BOARD OF DIRECTORS

Section 3.1. Powers. Except as otherwise provided by law, the Articles of Organization of the Hospital (as amended from time to time), or these Bylaws, and subject to the Member Reserved Powers, all of the property and affairs of the Hospital shall be managed by the Board of Directors of the Hospital (the "Board of Directors"), which may exercise all the powers of the Hospital, including authority to make all decisions on behalf of the Hospital, and which shall be responsible for the establishment of policies and procedures, the promotion of performance improvement, the development of organizational management and planning, and the creation of mechanisms to promote the Hospital's compliance with all relevant statutory and regulatory requirements. The Board of Directors shall also be responsible for the proper organization of the Medical Staff of the Hospital ("Medical Staff") and accountable for the

quality of medical care provided by the Hospital. Notwithstanding any provision of these Bylaws to the contrary, any action taken by the Board of Directors with regard to the following matters shall require the prior approval of the Member:

(a) Any action listed as a Member Reserved Power in Section 2.2;

(b) Approval of the strategic, financial and operational plans for the Hospital;

(c) Approval of the annual operating and capital budgets for the Hospital;

(d) Capital expenditures beyond the approved capital budget, provided, however, that the Member will approve through a standing resolution capital expenditures not included in an approved capital budget so long as in any fiscal year such capital expenditures are not in the aggregate in excess of five percent (5%) of the most recent approved annual capital budget;

(e) The borrowing of, or incurrence of debt in, any amount other than (i) for purposes of securing working capital from a lender which shall have been approved by the Member and pursuant to then existing loan documentation containing the terms and provisions relating to such borrowing which shall have been approved by the Member, and (ii) debt incurred in the ordinary course of business which is anticipated in and consistent with the annual operating budget or a capital budget which shall have been approved by the Member for the year in which incurred for the Hospital;

(f) The appointment of the independent auditor and approval of the independent financial audits;

(g) Entry into managed care contracts, exclusive contracts and other multi-year material contracts;

(h) Entry into any partnership/affiliation arrangements or joint venture proposals;

(i) The creation, acquisition or disposal of any subsidiary or affiliated corporation;

(j) The addition or elimination of any clinical departments or programs; and

(k) Amendments to the Bylaws or Articles of Organization of the Hospital.

Section 3.2. Number, Election and Term of Office. The Board of Directors shall consist of a maximum of twenty (20) elected Directors. In addition to the elected Directors, the Board of Directors also may appoint a member of the Hospital's Medical Staff to serve on the Board without vote. The Board of Directors shall also include the President and Chief Executive Officer ("President/CEO") of the Hospital and the President of the Hospital Medical Staff, each serving ex officio with full power to vote. The Member shall have the right to appoint three (3) Directors to the Board of Directors at the Member's sole discretion (each a "Member-Appointed Director"). The remaining elected Directors (each a "Hospital Director") shall be nominated by the Board of Directors and submitted for approval by the Member in accordance with the procedure set forth in Section 5.2(c).

Each Director shall be appointed for a term of three (3) years and until his respective successor is duly elected and qualified, or until he sooner dies, resigns, is removed or becomes disqualified. A Hospital Director who at any time serves three (3) consecutive three (3) year terms shall be ineligible to serve on the Board for one (1) year. Such term limits shall not apply to the Member-Appointed Directors. Notwithstanding the foregoing, those persons who served on the Board on [**January 1, 2012**] shall have the terms and term limits set forth in Exhibit A attached hereto, provided, however, that upon the term expiration date listed in Exhibit A, any such Director whose term expires prior to the maximum term limit date set forth on Exhibit A may be nominated by the Nominating/Governance Committee for election to one or more additional terms of three (3) years or such lesser duration as may be required to comply with the maximum term limits set forth on Exhibit A. Directors not included on Exhibit A, and elected

for the first time on or after [**January 1, 2012**], shall be subject to the term limits set forth in these Bylaws.

Section 3.3. Qualifications. Directors shall be expected to fulfill their responsibilities by personal attendance at no less than seventy-five percent (75%) of the meetings each year of the Board of Directors and at no less than seventy-five percent (75%) of the meetings each year of any committees upon which they serve. Members of the Medical Staff shall be eligible to serve on the Board of Directors. Individuals who participate in the governance or management of health systems that are direct competitors of the Member or of the Hospital shall not be eligible to serve on the Board of Directors.

Section 3.4. Resignations. Any Director may resign by giving written notice to the Chair or Clerk of the Hospital. Such resignation shall take effect at the time or upon the event specified therein, or, if none is specified, upon receipt. Unless otherwise specified in the resignation, its acceptance shall not be necessary to make it effective.

Section 3.5. Removal. A Director may be removed from office with or without cause by the Member. Failure to attend at least seventy-five per cent (75%) of the meetings each year of the Board of Directors or failure to attend at least seventy-five percent (75%) of the meetings each year of any committee of the Hospital upon which the Director serves may be considered cause for removal.

Section 3.6. Vacancies. In the event of a vacancy in the Board of Directors, the Member shall elect a person to fill such vacancy but shall consider only persons nominated by the Board, unless the vacancy is created by the departure of a Member-Appointed Director, in which case the Member may elect a person not nominated by the Board. The Board may exercise its powers although one or more vacancies are unfilled.

Section 3.7. Annual Meetings. An annual meeting of the Board of Directors for the election of officers of the Hospital and the transaction of general business shall be held each year, without notice, as soon as possible after the annual election of Directors by the Member.

Section 3.8. Regular Meetings. There shall be at least six (6) regular meetings of the Board of Directors each year, including the annual meeting of said Board. Regular meetings shall be held, with notice, at such time and place as the Board of Directors may determine. Any Director not present at the time of the determination shall be advised, in writing, of any such determination.

Section 3.9. Special Meetings. Special meetings of the Board of Directors, including meetings in lieu of the annual or regular meetings, may be held upon notice at any time upon the call of the Chair of the Hospital and shall be called by the Chair or Clerk of the Hospital, or, in the case of the death, absence, incapacity or refusal of the Clerk, by any other officer of the Hospital, upon written application, signed by any two (2) Directors of the Hospital, stating the purpose of the meeting.

Section 3.10. Notice of Meetings. Whenever notice of any meeting of the Board of Directors is required by these Bylaws or by vote of the Board of Directors, such notice shall state the place, date and hour of the meeting and shall be given to each Director at least seven (7) days prior to such meeting. Notice shall be given in writing, in person or by telephone, voice mail, facsimile, email or other electronic means. Written notice by mail is effective upon deposit with the United States postal service, postage prepaid, and addressed to the Director's address shown in the Hospital's records. Electronic notice is effective upon transmission. Whenever notice of a meeting is required, such notice need not be given to any Director if a written waiver of notice, executed by him (or his attorney thereunto authorized) before or after the meeting, is filed with

the records of the meeting, or to any Director who attends the meeting without protesting prior thereto or at its commencement the lack of notice to him. No notice of adjourned meetings of the Board of Directors need be given.

Section 3.11. Quorum. At all meetings of the Board of Directors, a majority of the Directors then in office shall constitute a quorum. If a quorum is not present, those present may adjourn the meeting from time to time until a quorum is obtained. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted if the meeting had been held as originally called.

Section 3.12. Voting. At any meeting of the Board of Directors, each Director shall have one (1) vote. The vote of a majority of those present at any meeting of the Board of Directors at which a quorum is present shall decide any matter properly before the Board except as otherwise provided by law, the Articles of Organization of the Hospital (as amended from time to time) or these Bylaws.

Section 3.13. Presence through Communication Equipment. Unless otherwise provided by law or the Articles of Organization, Directors may participate in a meeting of the Board by means of a conference telephone, videoconference or similar communications equipment provided that all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 3.14. Action without Meeting. Any action which may be taken at any meeting of the Board of Directors may be taken without a meeting if all of the Directors consent to the action in writing and the written consents are filed with the records of the meetings of the Board of Directors. Such consents shall be treated for all purposes as a vote at a meeting.

Section 3.15. Agenda. [Intentionally Deleted]

Section 3.16. Presiding Officer. [Intentionally Deleted]

ARTICLE IV

OFFICERS

Section 4.1. Officers. The officers of the Hospital shall be a Chair, a Vice Chair, a President/CEO, a Treasurer and a Clerk, and such other officers, if any, as the Board of Directors may determine.

Section 4.2. Election and Term of Office. Except for the President/CEO of the Hospital, who shall be appointed and shall serve pursuant to Article VI of these Bylaws, the officers of the Hospital shall be elected by and from among the Board of Directors at the annual meeting of the Board of Directors (or at the special meeting held in lieu thereof). All officers will serve a maximum of six (6) one year consecutive terms and shall be exempt from term limits of Directors. Each officer of the Hospital, except the Chair and the President/CEO, shall hold office until the next following annual meeting of the Board of Directors (or the special meeting held in lieu thereof), and until such officer's successor is duly elected and qualified, or until such officer sooner dies, resigns, is removed or becomes disqualified. Notwithstanding the foregoing, those persons who served as officers on **[January 1, 2012]** shall have the terms and term limits set forth in Exhibit B attached hereto, provided, however, that upon the term expiration date listed in Exhibit B, any such officer whose term expires prior to the maximum term limit date set forth on Exhibit B may be nominated by the Nominating/Governance Committee for election to one or more additional terms as may be required to comply with the maximum term limits set forth on Exhibit B. Officers not included on Exhibit B, and elected for the first time on or after **[January 1, 2012]**, shall be subject to the term limits set forth in these Bylaws.

Section 4.3. Duties. The duties of the officers of the Hospital, except the President/CEO (who shall serve pursuant to Article VI of these Bylaws), shall be as follows:

(a) The Chair of the Hospital shall have general supervision and direction of the affairs of the Board and shall preside at all meetings of the Board. The Chair shall have such powers and discharge such duties as may be conferred or imposed upon the Chair by law, these Bylaws, or the Board of Directors. The Chair of the Hospital shall serve on the Board of Directors of the Member.

(b) The Vice Chair of the Hospital shall perform the duties of the Chair in the absence of the Chair or in the event of the Chair's death, inability or refusal to act or in the event for any reason it shall be impracticable for the Chair to act personally. When so performing the duties of the Chair, the Vice Chair shall have all the powers of and be subject to all of the restrictions upon the Chair.

(c) The Treasurer shall be charged with oversight of the financial affairs of the Hospital, subject to the control and direction of the Board of Directors. The Treasurer shall keep or cause to be kept correct and complete books and records of the accounts of the Hospital. The Treasurer shall submit a report of the financial condition of the Hospital at the annual meeting of the Board of Directors. The Treasurer shall have such other duties and powers as designated by the Board.

(d) The Clerk shall supervise the preparation and safekeeping of accurate minutes of all meetings of the Board of Directors, keep the records, minute books and seal of the Hospital, authenticate records of the Hospital, and perform such other duties as are from time to time assigned by the Board of Directors. The Clerk shall be a resident of Massachusetts.

Section 4.4. Appointment of Assistant Officers. [Intentionally Deleted]

Section 4.5. Resignation. Any officer of the Hospital may resign by giving written notice to the Chair or Clerk of the Hospital. Such resignation shall take effect at the time or upon the event specified therein, or, if none is specified, upon receipt. Unless otherwise specified in the resignation, its acceptance shall not be necessary to make it effective.

Section 4.6. Removal. Any officer of the Hospital may be removed by the Board of Directors, with cause, after reasonable notice and opportunity to be heard, or without cause.

Section 4.7. Vacancies. The Board of Directors may fill any vacancy occurring in any office of the Hospital for any reason and may, in its discretion, leave unfilled for such period as it may determine any offices other than those of Chair, Vice Chair, Treasurer and Clerk. Officers appointed to fill vacancies shall serve the duration of their respective unexpired term.

ARTICLE V

COMMITTEES OF THE BOARD OF DIRECTORS

Section 5.1. General Provisions. The Board of Directors may at any time, by vote of a majority of the Directors then in office, authorize or establish such standing, special or ad hoc committees as it deems appropriate for the conduct of the affairs of the Hospital. The Board of Directors may abolish any such committee at any time. The Board of Directors may delegate to any committee or committees comprised entirely of Directors any or all of the Board's powers, except those which by law, the Articles of Organization of the Hospital or these Bylaws it is prohibited from delegating. The Board of Directors may not delegate to any committee any Member Reserved Power or the power to do any of the following:

(a) Change the principal office of the Hospital;

(b) Amend these Bylaws or the Articles of Organization of the Hospital;

(c) Elect officers and fill vacancies in any such offices;

(d) Change the number of Directors and fill vacancies in the Board;

(e) Remove officers or Directors from office;

(f) Adopt a plan of merger or consolidation;

(g) Recommend the sale or other disposition of all or substantially all of the Hospital's assets other than in the ordinary course of business; or

(h) Recommend a voluntary dissolution of the Hospital or rescission of such dissolution.

Unless the Board of Directors otherwise designates, committees shall conduct their affairs as nearly as may be in the same manner as is provided in these Bylaws for the Board of Directors at large. Any committee to which no powers of the Board of Directors have been delegated may consist of Overseers or other non-Directors; provided, however, that only Directors or members of the Medical Staff may count for purposes of a quorum and serve as voting members of all committees.

Each committee shall have at least three (3) members. Except as otherwise provided herein, the Chair of the Hospital shall annually appoint the members of all standing committees. The Chair or a Director serving as the Chair's designee shall serve as the chair of each of the standing committees. The President/CEO shall be an ex officio voting member of all standing committees except for the Compensation/Benefits Committee and the Audit/Compliance Committee.

Committee meetings shall be called by the committee chair as needed and in any event at least annually. Each committee shall elect a secretary, keep a record of its proceedings and submit any reports and recommendations to the Board of Directors. The Board of Directors shall have the power to rescind any action of any committee, but no such rescission shall have

retroactive effect. The Board of Directors may require any person who is not a member of the Board who serves on or provides consultation to a committee to sign a confidentiality agreement and a conflict of interest disclosure form.

Section 5.2. Standing Committees. Notwithstanding any other provisions of these Bylaws to the contrary, the Hospital shall have the standing committees described in this Section 5.2. Each standing committee shall operate pursuant to a charter, adopted subject to the Board's approval, stating the operating rules of the committee and the scope of the committee's responsibilities.

(a) Executive Committee.

(1) The Executive Committee shall consist of the Chair of the Hospital, the Vice Chair, the President/CEO, the Treasurer and the Clerk, each ex officio with vote. The Chair of the Hospital shall be the chair of the Executive Committee.

(2) The Executive Committee shall have all of the powers of the Board of Directors during intervals between Board meetings, except those which by law, the Articles of Organization of the Hospital or these Bylaws the Board is prohibited from delegating. The Executive Committee shall transact such business, perform such duties and exercise such powers as may be directed or delegated by the Board from time to time; provided that any action taken shall not conflict with the policies and expressed wishes of the Board; and provided further that the Executive Committee shall not have authority to take any action that is a Member Reserved Power.

(3) All actions taken by the Executive Committee shall be reported to the Board prior to or at the next regular meeting of the Board.

(4) The Executive Committee shall meet as often as necessary at the call of the Chair or any three (3) of its members.

(b) Finance Committee.

(1) The Finance Committee shall consist of the Treasurer, who may be the chair of the committee, and at least three (3) Directors. At least two (2) members of the Finance Committee shall have expertise in the field of finance.

(2) The chair of the Committee shall serve on the Finance Committee of the Board of Directors of the Member.

(3) The Committee shall have general oversight of the finances of the Hospital. The Committee shall periodically but in any event at least annually review the overall operating and capital budgets of the Hospital. The Committee shall ensure the development of relevant policies and procedures for the management of the Hospital's finances.

(4) The Committee shall provide regular reports to the Board.

(c) Nominating/Governance Committee.

(1) The Nominating/Governance Committee shall consist of at least three (3) Directors, at least one of whom is a Member-Appointed Director. No Director shall be eligible to serve on the Committee in a year in which such Director is eligible for re-nomination as a Director.

(2) The Committee shall recommend nominees for election to the Board and the offices of the Hospital, in each case subject to the approval of the Board.

(3) At least two (2) months prior to the annual meeting of the Member, the Nominating/Governance Committee shall begin meeting in order to prepare a slate of qualified candidates for appointment to the Board of Directors. The Committee shall consider, among others, members of the Board of Overseers as potential nominees to the Board. The Member-Appointed Director on the Committee shall consult with the Member as the Committee is preparing the slate of candidates. The Committee shall present the slate of candidates, which may contain more candidates than there are vacancies on the Board, to the Board of Directors for review. At least one (1) month prior to the annual meeting of the Member, the Board shall review the slate of candidates and select from it nominees to approve and present to the Member for appointment to the Board.

(4) In the event that the Member does not approve of any individuals included on the Board's slate of nominations for appointment to the Board, all nominees who are approved by the Member shall be appointed to the Board, and the Nominating/Governance Committee shall propose additional candidates for the remaining vacancies. The Board shall select from such candidates nominees to present to the Member for appointment to the Board.

(5) The Committee shall be responsible for a formal orientation program for Directors, an ongoing education program for Directors, and a performance assessment program for the Board, its committees and its Directors.

(6) The Committee shall periodically review the Bylaws and may make recommendations to ensure their current relevance.

(d) Compensation/Benefits Committee.

(1) In order to ensure a consistent compensation philosophy and proper oversight by the Hospital, there shall be a Compensation/Benefits Committee. The Compensation/Benefits Committee shall consist of at least three (3) Directors, and shall consist solely of Directors who are not employed by or directly or indirectly providing goods or services to the Hospital or any of its affiliates ("Independent Directors").

(2) The Committee shall have the right to select and engage outside qualified advisors to assist it in the performance of its responsibilities and shall be provided with sufficient funds by the Hospital for such engagement. In accordance with the criteria set forth in its charter, the Committee shall annually review the compensation of all "disqualified persons" as that term is defined in the Internal Revenue Service intermediate sanctions regulations; annually review the performance of the President/CEO; and perform such other functions as described in its charter. Subject to the Member Reserved Powers, the Committee shall have the authority to approve the compensation and benefits plans for the President/CEO, to review and approve the recommendations of the President/CEO with respect to the compensation and benefits plans for the other disqualified

persons, and to review the compensation and benefits plans for all other employees of the Hospital.

(e) Audit/Compliance Committee.

(1) The membership of the Audit/Compliance Committee shall consist solely of Independent Directors. At least one (1) member of the Audit/Compliance Committee shall have expertise in the field of finance.

(2) The Audit/Compliance Committee shall meet with the Hospital's independent auditors annually to review the audited financial statements and the auditing process.

(3) The Committee shall also review the Hospital's overall compliance with state, federal and accreditation agency requirements, and shall oversee on an ongoing basis the implementation of the legal compliance program for the Hospital, acting through and with the assistance of the compliance office. The Committee shall review and evaluate information and recommendations on compliance matters presented to it by the compliance office and others. The compliance office shall communicate the Committee's recommendations and actions to appropriate Hospital officers, employees and representatives.

(4) A written agenda for each meeting of the Committee and a record of all recommendations made by the Committee shall be prepared and maintained by the compliance office.

(f) Quality Care Committee.

(1) The Quality Care Committee shall include at least two Medical Department Chairmen and the President or Vice President of the Medical Staff, each ex officio with vote.

(2) The Committee shall oversee the development of policies, standards, measures, and reports related to clinical and patient care quality. The Committee shall receive periodic reports from Medical Staff and Administrative quality committees.

(3) The Committee shall be responsible for the Hospital's Patient Care Assessment Program. The Committee shall also be responsible for the Hospital's compliance with relevant Joint Commission standards, professional review organization standards, and applicable state and federal regulations.

(4) The Committee shall provide regular reports to the Board.

(g) Safety Committee.

(1) The Safety Committee shall consist of the President/CEO or his designee, the Safety Officer and such other persons as may be appointed by the Chair of the Hospital in consultation with the President/CEO.

(2) The Committee shall analyze identified environmental care management issues and develop or approve recommendations for resolving them.

(3) The Committee shall provide regular reports to the Board.

(h) Philanthropy/Fundraising Committee.

(1) As of **[January 1, 2012]**, the Philanthropy/Fundraising Committee shall consist of at least three (3) Directors.

(2) The Philanthropy/Fundraising Committee shall oversee the Hospital's philanthropy and fundraising activities.

(3) The Committee shall provide regular reports to the Board.

(i) Joint Conference Committee.

(1) The Joint Conference Committee shall consist of the Chair of the Hospital, three (3) other Directors appointed by the Chair of the Hospital, the President/CEO, and six (6) members of the Medical Staff, who will include the President of the Medical Staff, the Vice President of the Medical Staff, the Chief of Medicine, the Chief of Surgery, and two (2) at-large seats. The chair of the Joint Conference Committee shall be elected by the members of the Joint Conference Committee.

(2) The Joint Conference Committee shall be a forum for the discussion of matters of Hospital Policy and practice, especially those pertaining to efficient, effective, and high quality patient care and medical service, and shall provide liaison among the Board of Directors, the Medical Staff, and the President/CEO. The Committee shall be a forum for the discussion of Hospital and Medical Staff policies, particularly when those policies become contentious or require revision.

(3) The Joint Conference Committee shall meet at least quarterly and shall submit written reports, as requested from time to time, to the Board of Directors, the Executive Committee of the Medical Staff, and the President/CEO.

Section 5.3. Special Committees. Special (or ad hoc committees) of the Hospital may be appointed by the Chair of the Hospital with the concurrence of the Board of Directors for such

special tasks as circumstance warrant. Such special committees shall limit their activities to the accomplishment of the tasks for which they were created and appointed and shall have no power to act except such as is specifically conferred by action of the Board of Directors. Upon completion of the tasks for which they were appointed, such special committees shall stand discharged.

ARTICLE VI

PRESIDENT

Section 6.1. Selection. The Board of Directors shall appoint a competent and qualified President and Chief Executive Officer of the Hospital. The President/CEO shall be the Chief Executive Officer of the Board of Directors. The President/CEO shall report to the Board of Directors and to the President and CEO of the Member. The President/CEO shall have the necessary authority and be responsible for the administration of the Hospital in all activities and departments, subject to policies adopted and orders issued by the Board of Directors or its duly authorized officers or committees. The President/CEO shall act as the duly authorized representative of the Board of Directors in all matters.

Section 6.2. Powers and Responsibilities. The President/CEO (or, in the President/CEO's absence, the President/CEO's associate or assistant designated by the President/CEO to act in the President/CEO's absence) shall be the administrative head and representative of the Board of Directors. The President/CEO shall have authority and responsibility as follows:

(a) For carrying out all policies established by the Board of Directors;

(b) For perfecting and submitting to the Board of Directors for approval a plan of organization of the personnel and others concerned with the operation of the Hospital;

(c) For preparing and submitting to the Board of Directors an annual budget showing expected receipts and expenditures;

(d) For selecting, employing, controlling and discharging all employees, as well as developing and maintaining personnel policies and practices for the Hospital;

(e) For overseeing all physical properties of the Hospital and maintaining them in a good state of repair and operating condition;

(f) For supervising all business affairs of the Hospital and ensuring that all funds are collected and expended to the best possible advantage;

(g) For working with the Medical Staff and with all those concerned with the rendering of professional service to the end that high quality patient care and medical services may be rendered to all patients;

(h) For attending meetings of the Board of Directors and its committees as an ex officio member with vote, and, as appropriate, meetings of the Medical Staff;

(i) For reviewing and taking appropriate action on reports of authorized inspecting and accrediting agencies;

(j) For serving as the liaison officer and channel of communications between the Board of Directors or any of its committees and the Medical Staff;

(k) For promoting and monitoring the Hospital's compliance with all applicable law and regulations; and

(l) For performing other necessary duties that may be in the best interest of the Hospital as assigned by the Board of Directors.

ARTICLE VII

THE ORGANIZED MEDICAL STAFF

Section 7.1. Organization and Purposes of the Medical Staff. The Board of Directors shall authorize the formation of an organized Medical Staff to discharge those duties and responsibilities delegated to it by the Board of Directors to accomplish the following purposes:

(a) To monitor the quality of medical care in the Hospital and make recommendations to the Board of Directors so that all patients admitted to or treated at any of the facilities, departments or services of the Hospital shall receive high quality care.

(b) To make recommendations to the Board of Directors concerning the appointment or reappointment of an applicant to the Medical Staff of the Hospital, to recommend to the Board of Directors the clinical privileges such applicant shall enjoy in the Hospital and to recommend to the Board of Directors appropriate action in connection with any member of the Medical Staff, so that there shall be at all times a high level of professional performance by all persons authorized to practice in the Hospital.

(c) To represent the physicians and dentists of the Hospital and to provide a means whereby issues concerning the Medical Staff and the Hospital may be discussed both within the Medical Staff organization and with the Board of Directors and the President/CEO.

Section 7.2. Medical Staff Bylaws and Rules. Bylaws and Rules setting forth Medical Staff organization and operation in a manner designed to accomplish the purposes set forth in Section 7.1 hereof shall be recommended by the Medical Staff, and such Bylaws and Rules which are adopted by the Board of Directors (the "Medical Staff Bylaws") shall then become

effective and shall then become part of these Bylaws. The Board of Directors shall retain the power to alter, amend or repeal the Medical Staff Bylaws, upon consultation with the Medical Staff. The Medical Staff Bylaws shall include effective formal means for the Medical Staff to participate in the development of Hospital policy insofar as it affects patient care and medical service and shall contain provisions establishing controls which insure the achievement and maintenance of high standards of professional and ethical practices.

Section 7.3. Appointment to the Medical Staff and Assignment of Clinical Privileges. The Board of Directors, in conjunction with the Medical Staff, shall have authority and responsibility over credentialing requirements for the Medical Staff. The Board of Directors may appoint in numbers appropriate to the Hospital's needs, graduates of recognized medical and dental schools meeting the personal and professional qualifications prescribed in the Medical Staff Bylaws to membership on the Medical Staff of the Hospital and shall assign clinical privileges to them. The information provided by applicants for Medical Staff membership and clinical privileges shall be verified by the Credentials Committee of the Medical Staff. Applicants for reappointment and/or renewal of clinical privileges shall be required to submit such reasonable evidence of current health status as may be requested by the Medical Staff Executive Committee. Physicians and dentists so appointed shall have appropriate authority and responsibility for the care and treatment of their individual patients subject to such limitations as the Board of Directors may formally impose and to the Medical Staff Bylaws and Rules. Only an appropriately licensed practitioner with clinical privileges shall be directly responsible for a patient's diagnosis and treatment within the area of the practitioner's privileges. Each member of the Medical Staff must observe all ethical principles of his profession. Initial appointments shall be provisional for an initial period as set forth in the Medical Staff Bylaws. Thereafter, appointments shall be renewable in accordance with the reappointment procedures and

promotion procedures set forth in the Medical Staff Bylaws and Rules. Decisions regarding appointment, reappointment, and initial, renewed, or revised clinical privileges shall be based on the merits of the applicant's credentials and shall not be based on the sex, race, religion, creed, and/or national origin of the applicant.

Section 7.4. Procedures for Board of Directors' Actions Pertaining to Medical Staff Membership or Applicants for Membership.

(a) At its next regular meeting after receipt of a recommendation from the Medical Staff concerning an applicant for Medical Staff membership or concerning a member of the Medical Staff, the Board of Directors shall act on the matter. The Board of Directors retains its absolute discretion to take any action it deems in the best interests of the Hospital.

(b) At any time in its consideration of such recommendations, the Board of Directors may, in its absolute discretion, defer final determination by referring the matter to a committee of its choice for further consideration. Any such referral shall state the reasons therefore, shall set a time limit within which a subsequent recommendation to the Board of Directors shall be made, and may include a directive that an additional hearing be conducted to clarify issues which are in doubt. At its regular meeting after receipt of such subsequent recommendation, the Board of Directors shall act on the matter.

(c) Whenever the Board of Directors does not concur with a Medical Staff recommendation relative to clinical privileges, the recommendation shall be reviewed within a set time limit by a joint committee of the Medical Staff and the Board of Directors before a final decision is reached by the Board of Directors. The members of such joint committee from the Board of Directors shall be

appointed by the Chair of the Hospital, and the members of such joint committee from the Medical Staff shall be appointed by the President of the Medical Staff.

(d) Whenever the Board of Directors rejects a recommendation of the Medical Staff that an applicant be appointed to the Medical Staff, that an applicant be given clinical privileges, that a Medical Staff member be reappointed, promoted in Medical Staff category or given additional clinical privileges, or whenever the Board of Directors revokes a Medical Staff member's membership, the Board of Directors shall notify the applicant or Medical Staff member so affected of its decision in writing in accordance with the Medical Staff Bylaws. Within thirty (30) days following the date of receipt of such written notice, such applicant or Medical Staff member may request a hearing before a hearing committee to be appointed by the Board of Directors.

(e) When the Board of Directors acts finally in the matter, it shall send written notice of such decision through the President/CEO by certified mail to the applicant or staff member involved as well as to the President of the Medical Staff and the Executive Committee and Credentials Committee of the Medical Staff and the department concerned. The written notice sent to the applicant or staff member shall include a statement of the basis for the decision.

(f) Before the Board of Directors agrees to the appointment or reappointment of an applicant to membership on the Medical Staff, the President/CEO shall make available to that applicant a copy of these Bylaws and of the Medical Staff Bylaws in force at that time. The applicant shall sign a statement furnished him by the President/CEO that the applicant has read and understood these Bylaws and the Medical Staff Bylaws and that the applicant specifically agrees to the

following undertakings (as well as to any further undertakings which are required by the Medical Staff Bylaws):

(1) An obligation as a member of the Medical Staff to provide continuous care and supervision to each patient within the Hospital;

(2) An agreement to abide by all of the Hospital's Bylaws, policies and directives and all of the Medical Staff Bylaws as shall be in force during the time that the applicant is a member of the Medical Staff; and

(3) An agreement to accept committee assignments and such other duties and responsibilities as shall be assigned to the applicant by the Board of Directors and the Medical Staff.

No appointment or reappointment shall take effect until such a statement has been signed by the individual concerned.

Section 7.5. Medical Staff Department Chiefs and Committees. The Board of Directors shall appoint a chief of each clinical department, after consideration of the recommendation of the Executive Committee of the Medical Staff. Each chief shall hold office in accordance with the Medical Staff Bylaws. The Board of Directors may delegate, through approval of the Medical Staff Bylaws or by appropriate Board of Directors resolution, to Medical Staff department chiefs and to certain committees of the Medical Staff, certain responsibilities for monitoring the qualify of medical care in the Hospital and the authority to make recommendations thereupon to the Board of Directors as well as certain responsibilities for recommending to the Board of Directors an applicant's appointment or reappointment to the Medical Staff and for recommending clinical privileges for such applicant.

Section 7.6. Appointment and Removal of Medico-Administrative Personnel. In addition to the chief of a clinical department, the Board of Directors may appoint qualified

persons to perform administrative functions deemed necessary or desirable by the Board, provided, however, that no person who is not a member of the Medical Staff shall be appointed to a position whose duties are medico-administrative in nature, involving clinical responsibilities or functions with the Medical Staff, or requiring professional ability as a physician or dentist. The Board of Directors may, in its discretion, remove a chief of a department or any medico-administrative personnel. Removal of a chief of a department or revocation of the authority of any other person to perform an administrative function shall not, of itself, affect such person's status as a member of the Medical Staff.

Section 7.7. Reporting of Substandard Conduct of Health Care Providers. Any conduct by a health care provider (a) that indicates incompetency in the health care provider's specialty or (b) that might be inconsistent with or harmful to good patient care, shall be reported in accordance with the Medical and Dental Staff Bylaws if the report pertains to a member of the Medical Staff, or shall be reported to the chief executive officer if the report pertains to an agent or employee of the Hospital who is not a member of the Medical Staff. Reports pertaining to members of the Medical Staff shall be investigated, reviewed and resolved in accordance with the procedures specified in the Medical and Dental Staff Bylaws. Reports pertaining to agents or employees of the Hospital who are not members of the Medical Staff shall be investigated, reviewed and resolved in accordance with Hospital employee grievance policies and procedures, or such other policies and procedures as may be adopted from time to time by the Board of Directors. For purposes of this section, the term "health care provider" shall be defined in accordance with G.L. c.111, §1, as that statute may be amended.

ARTICLE VIII

QUALIFIED PATIENT CARE ASSESSMENT PROGRAM

Section 8.1. Definitions. For purposes of this Article, the following terms shall be defined as specified below.

(a) "Health care provider" means any doctor of medicine, osteopathy or dental science; any registered nurse; any intern, resident, fellow, or medical officer; and any employee or agent of the Hospital.

(b) "Licensed health care professional" means any person with employment, practice, association for the purpose of providing patient care, or privileges at the Hospital who has been issued any type of license, certificate or registration by an agency of the Commonwealth of Massachusetts authorizing the person to render or assist in rendering health care related services.

(c) "Member of the Medical Staff" means (i) any member of the Medical Staff of the Hospital who has employment, practice, association for the purpose of providing patient care, or privileges at the Hospital and (ii) any other licensed health care professional who is not an employee of or under contract with the Hospital but who is authorized to render care to patients of the Hospital under the supervision and direction of a member of the Medical Staff of the Hospital.

(d) "Medical peer review committee" means a committee of the Medical Staff or the Hospital as defined from time to time by applicable law.

(e) "Board of Registration" means the Massachusetts Board of Registration in Medicine.

(f) "Licensee" means a person licensed by the Massachusetts Board of Registration in Medicine.

(g) "Disciplinary action" shall be defined in accordance with applicable law for purposes of reporting to the Board of Registration under G.L. c.111, §53B.

(h) "Patient Care Assessment Program" or "Program" means the Hospital's qualified patient care assessment program established pursuant to this Article and the Medical Staff Bylaws.

(i) "Patient Care Assessment Plan" means the document which contains the policies, procedures, rules, regulations and standards for the Patient Care Assessment Program, which document and any amendments thereto are filed with the Board of Registration.

(j) "Patient Care Assessment Coordinator" means the person or committee designated or established by the Board of Directors pursuant to Section 8.3(b) of this Article.

Section 8.2. Establishment of Program. The Hospital shall establish, and the Board of Directors shall be responsible for, a Patient Care Assessment Program designed to provide effective quality assurance, risk management, peer review, identification and prevention of substandard practice by licensed health care professionals, and minimization of claims losses, which Program shall comply with applicable policies, rules, regulations, procedures and standards of professional review organizations and accrediting agencies, and with the requirements for designation as a qualified Program under applicable law. All health care providers shall participate in the Patient Care Assessment Program.

Section 8.3. Structure of Program.

(a) Patient Care Assessment Committee(s). The Board of Directors shall designate or establish one or more committees, which shall be responsible for carrying out those patient care assessment functions required by the Board of Directors or by

applicable law. Each such committee is hereinafter referred to as a Patient Care Assessment Committee. Each such Committee shall include at least one member of the Board of Directors and other senior personnel essential to the quality of patient care. The Board of Directors shall assure the adequacy of resources and support systems for the functions of the Patient Care Assessment Committee. Each Patient Care Assessment Committee shall be a governing board level medical peer review committee.

(b) Patient Care Assessment Coordinator. The Board of Directors shall designate a Patient Care Assessment Committee, or an individual, to be the Hospital's Patient Care Assessment Coordinator. The Patient Care Assessment Coordinator shall either be responsible to a Patient Care Assessment Committee or shall serve as the formal administrative link amongst any separate Patient Care Assessment Committees designated or established by the Board of Directors. The Patient Care Assessment Coordinator shall be responsible for implementing by delegating, overseeing, facilitating, coordinating or otherwise, the Hospital's Patient Care Assessment Program. The Patient Care Assessment Coordinator shall provide a summary report at least quarterly to the Board of Directors, or with such greater frequency as the Board of Directors may require with respect to the performance of the Patient Care Assessment Program, with recommendations for quality assurance, risk management, patient care assessment and education of health care providers.

(c) Safety Committee. The Board of Directors shall establish a Safety Committee, which shall oversee the safety and maintenance of facilities and equipment, and

shall report at least quarterly to the Patient Care Assessment Coordinator or with such greater frequency as may be required by the Board of Directors.

Section 8.4. Elements of Program. The Hospital is authorized to establish a Patient Care Assessment Program that complies with the requirements of 243 CMR 3.00 et seq. and that has been approved by the Board of Registration. The structure, policies, procedures, rules, regulations and standards for the Patient Care Assessment Program shall be detailed in the Patient Care Assessment Plan. These Bylaws specifically incorporate those provisions of the Patient Care Assessment Plan, as from time to time amended, which, pursuant to 243 CMR 3.00 et seq., must be established by or described in these Bylaws.

Section 8.5. Reporting of Substandard Conduct of Licensed Health Care Professionals. To the extent required by applicable law, any conduct by a licensed healthcare professional (a) that indicates incompetency in his or her specialty or (b) that might be inconsistent with or harmful to good patient care, shall be reported in accordance with the Medical Staff Bylaws if the report pertains to a member of the Medical Staff, or shall be reported to the Patient Care Assessment Coordinator if the report pertains to a licensed health care professional who is not a member of the Medical Staff. Reports pertaining to members of the Medical Staff shall be investigated, reviewed and resolved in accordance with the procedures specified in the Medical Staff Bylaws. Report pertaining to licensed health care professionals who are not members of the Medical Staff shall be investigated, reviewed and resolved in accordance with the Patient Care Assessment Plan as amended by the Board of Directors.

Section 8.6. Miscellaneous Provisions. The following provisions shall also be part of the Hospital's Patient Care Assessment Program:

(a) At least annually, every employee and licensed health care professional who is employed by or has privileges at the Hospital shall receive written notice of the requirements and rights set forth in G.L. c.112, §5F, which requires (i) reporting to the Board of Registration whenever there is reason to believe a Licensee has violated a disciplinary standard of the Board of Registration, and (ii) protects employees of the Hospital who report such violations or participate in Board of Registration disciplinary proceedings against employment discrimination or retaliatory discharge.

(b) Any employee or licensed health care professional may have his employment, association for the purpose of providing patient care, practice, and/or privileges at the Hospital summarily suspended for violation of (i) any provision of this Article or (ii) any rule, regulation, policy or procedure adopted by the Hospital as part of its Patient Care Assessment Program.

(c) Prior to or within twenty-four hours following admission to the Hospital, every patient (or the person from whom informed consent must be obtained on the patient's behalf) shall receive written notice, in plain language, of the rights established by the Massachusetts Patients' and Residents' Rights Statute (G.L. c.111, §70E). A statement of such rights shall be conspicuously posted in the Hospital. In addition, all such persons shall be informed (i) that they may file complaints with the Patient Care Assessment Coordinator, and (ii) of the existence, address and telephone numbers of the Board of Registration and the Department of Public Health.

(d) The Hospital shall require appropriate personnel to respond promptly, and in no event in more than thirty (30) days, to an inquiry made by any other health care

facility regarding a licensed health care professional's application for employment, practice, association or privileges at the inquiring health care facility.

(e) The Hospital shall maintain personnel records regarding its licensed health care professionals for a minimum of ten (10) years.

Section 8.7. Impaired Professionals. As part of its Patient Care Assessment Program, the Hospital shall either (i) establish procedures for ongoing review and counseling of licensed health care professionals impaired by drugs or alcohol or (ii) arrange for and monitor participation by such persons in other established review and counseling programs.

Section 8.8. Compliance with Reporting Requirements. As part of its Patient Care Assessment Program, the Hospital shall establish a procedure to ensure compliance by health care providers with their obligation to report to the Board of Registration whenever there is reason to believe that a Licensee has violated any of the Board of Registration's disciplinary standards, including its disciplinary standards pertaining to impaired Licensees. A true and correct copy of any report made to the Board of Registration by a health care provider shall be simultaneously delivered to the Patient Care Assessment Coordinator and to the affected Licensee. Any such report shall be in writing, signed by the complainant, and describe in reasonable detail the basis of the complainant's belief that a disciplinary standard of the Board of Registration has been violated.

Section 8.9. Confidentiality/Immunity. To the extent that the Board of Directors as a whole and/or members of the Board of Directors or Hospital employees are responsible for, or engaged in, peer review activities under the Patient Care Assessment Program, such activities are performed on behalf of Patient Care Assessment Committee(s) which are committees of the Medical Staff as well as of the Board of Directors, and the proceedings, reports and records of

such Committees are hereby deemed to be the proceedings, reports and records of medical peer review committees.

ARTICLE IX

BOARD OF OVERSEERS

Section 9.1. Composition and Appointment. The Board of Directors shall organize a group to be known as the Board of Overseers (the "Overseers"). The Overseers shall consist of those persons so appointed by the Board of Directors. The Chair of the Overseers shall appoint a committee composed of Overseers to nominate individuals from time to time to serve as Overseers ("Overseers Nominating Committee"). The nominees shall be distinguished members of the medical, business, professional, scientific and/or philanthropic communities who have demonstrated a substantial interest in the Hospital and an ability to contribute to the advancement of the goals of the Hospital. The Overseers Nominating Committee shall present the nominees to the Overseers for their approval. After such approval, such nominees shall be presented to the Board of Directors for appointment.

Section 9.2. Functions. The Overseers shall serve as special advisors to the Board of Directors and the senior management of the Hospital. In particular, the Overseers shall have the following responsibilities:

(a) Provide counsel on matters brought to their attention by the President/CEO or the Chair of the Hospital;

(b) Act as good-will ambassadors and advocates within the communities served by the Hospital;

(c) Assist the Hospital in obtaining the understanding and support of its constituencies;

(d) Highlight the importance of the Hospital's mission to the local community;

(e) Identify and involve potential donors, supporters and additional resources for programs and facilities of the Hospital;

(f) Make recommendations, as appropriate, to the Board of Directors; and

(g) Serve, if so requested, on any committee of the Board of Directors.

Section 9.3. Tenure. Each Overseer shall be appointed to a term of three (3) years, without limit to the number of terms for which an Overseer can be appointed. One-third (1/3) of the Overseers (or as close thereto as possible) shall be up for re-election in each year.

Section 9.4. Chair. The Board of Overseers shall have a chair who shall be appointed by the Board of Directors for a term of one (1) year and until the chair's successor is appointed. The chair shall preside at all meetings of the Board of Overseers and shall have such other responsibilities as may be determined by the Board of Directors.

Section 9.5. Meetings. The Board of Overseers shall meet at least semi-annually to discuss developments at the Hospital and/or to hear presentations by physicians and the administration. Meetings shall be held on such dates as shall be determined by the Chair of the Board of Overseers or the President/CEO and designated in the notice of the meeting.

Section 9.6. Notices. Notice of each meeting of the Overseers shall be given by mail not less than seven (7) days before such meeting.

Section 9.7. Resignation. A member of the Board of Overseers may resign by delivering or mailing such person's written resignation to the Chair or Clerk of the Board of Directors at its principal office. Such resignation shall be effective upon receipt, unless specified as effective at some other time, and acceptance thereof shall not be necessary to make it effective unless it so states.

Section 9.8. Removal. A member of the Board of Overseers may be removed with or without cause by a vote of the majority of the Board of Directors then in office, but if for cause, only after reasonable notice and an opportunity to be heard.

ARTICLE X

HOSPITAL AUXILIARY

The Hospital may have an unincorporated association known as the Auxiliary of Milton Hospital, as determined from time to time by the Board of Directors, and will operate under such rules and regulations as may be determined by the Board of Directors.

ARTICLE XI

INDEMNIFICATION AND INSURANCE

Section 11.1. Indemnification of Directors and Officers. The Hospital shall, to the extent legally permissible, indemnify each person who is serving, or who has served at any time, as a Director or officer of the Hospital (each such person being called in this Section 11.1 a "Person") against all expenses and liabilities (including counsel fees, judgments, fines, excise taxes, penalties and amounts payable in settlements) reasonably incurred by or imposed upon such Person in connection with any threatened, pending or completed action, suit or other proceeding, whether civil, criminal, administrative or investigative, in which such Person may become involved by reason of serving or having served in such capacity (other than a proceeding voluntarily initiated by such Person unless he is successful on the merits, the proceeding was authorized by the Hospital or the proceeding seeks a declaratory judgment regarding such Person's own conduct); provided that no indemnification shall be provided for any such Person with respect to any matter as to which he shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his action was in, or not opposed to, the best interests of the Hospital or, to the extent such matter relates to service with respect to

any employee benefit plan, in the best interests of the participants or beneficiaries of such employee benefit plan. A Person whose duties include service or responsibilities as a fiduciary with respect to an affiliate of the Hospital shall be deemed to have acted in good faith in the reasonable belief that his action was in the best interests of the Hospital if he acted in good faith in the reasonable belief that his action was in the best interests of such affiliate or of the participants or beneficiaries of, or other persons with interests in such subsidiary or organization to whom he had a fiduciary duty.

Such indemnification shall include payment by the Hospital of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, upon receipt of an undertaking by the Person to repay such payment if he shall be adjudicated to be not entitled to indemnification under this Section 11.1, which undertaking may be accepted without regard to the financial ability of such Person to make repayment.

Notwithstanding the foregoing, as to any matter disposed of by compromise payment by any Person pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expenses shall be provided unless such compromise shall, after notice that it involves such indemnification, be approved as in the best interests of the Hospital: (i) by a disinterested majority of the Directors then in office, or (ii) by a majority of the disinterested Directors then in office, provided that there has been obtained an opinion in writing of legal counsel to the effect that such Person appears to have acted in good faith in the reasonable belief that his action was in the best interests of the Hospital.

Any indemnification or advance of expenses under this Section 11.1 shall be paid promptly, and in any event within thirty (30) days, after the receipt by the Hospital of a written request therefor from the Person, unless with respect to a claim for indemnification the Hospital

shall have determined that the Person is not entitled to indemnification. If the Hospital denies the request or if payment is not made within such thirty-day period, the Person may at any time thereafter seek to enforce his rights hereunder in a court of competent jurisdiction and, if successful in whole or in part, he shall be entitled also to indemnification for the expenses of prosecuting such action. Unless otherwise provided by law, the burden of proving that the Person is not entitled to indemnification shall be on the Hospital.

The right of indemnification under this Section 11.1 shall be a contract right inuring to the benefit of the Directors, officers, and other persons entitled to be indemnified hereunder and no amendment or repeal of this Section 11.1 shall adversely affect any right of such Person existing at the time of such amendment or repeal.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of the Persons entitled to indemnification hereunder. The indemnification provided hereunder may, to the extent authorized by the Hospital, apply to the Directors, officers and other persons associated with constituent corporations that have been merged into or consolidated with the Hospital who would have been entitled to indemnification hereunder had they served in such capacity with or at the request of the Hospital.

The right of indemnification under this Section 11.1 shall be in addition to and not exclusive of all other rights to which such Persons may be entitled. Nothing contained in this Section 11.1 shall affect any rights to indemnification to which Hospital employees or agents other than the Persons entitled to indemnification hereunder may be entitled by contract or otherwise under law.

Section 11.2. Indemnification of Employees and Agents. Under the same circumstances as described in Section 11.1, the Hospital may, but shall not be required to, indemnify and/or pay reasonable interim expenses incurred by (i) an employee or agent of the Hospital or (ii) an

employee or agent of another entity while serving in such capacity at the request of the Hospital, to the maximum extent permitted by applicable law. A determination as to whether the Hospital shall indemnify or pay interim expenses in any specific case pursuant to this Section 11.2 shall be made by the Board of Directors in accordance with applicable law. No amendment or repeal of this Section 11.2 or any relevant provision of applicable law shall in any way diminish the right to indemnification under this Section 11.2 with respect to any act or omission occurring prior to such amendment or repeal.

ARTICLE XII

CONFLICTS OF INTEREST

Conflicts of interest of Directors, officers and committee members of the Hospital shall be governed by the policy adopted by the Board of Directors. In the absence of fraud, no Director, officer or committee member shall be liable to the Hospital or to any creditor thereof or to any other person for any loss incurred by it under or by reason of any conflict of interest, nor shall any such Director, officer or committee member be accountable for any gains or profits realized thereon.

ARTICLE XIII

AMENDMENTS

These Bylaws may be amended, added to or repealed, in whole or in part, only by the Member.

Exhibit A

Director Terms and Term Limits as of January 1, 2012

Exhibit B

Officer Terms and Term Limits as of January 1, 2012

CERTIFICATION

I hereby certify that the foregoing is a complete and accurate copy of the Bylaws of Beth Israel Deaconess Hospital - Milton , Inc.

Date:_____

_____
Clerk, Beth Israel Deaconess Hospital - Milton , Inc.

AMENDED AND RESTATED

BYLAWS

OF

BETH ISRAEL DEACONESS HOSPITAL - MILTON , INC.

Adopted – May 9, 1984
Effective August 1, 1984
Amended – November 28, 1988 (Mission Statement)
Amended – March 25, 1991
Amended – January 30, 1995 (Mission Statement)
Amended – November 27, 1995 (Mission Statement)
Amended - November 30, 1998
Amended – March 25, 1999
Amended – November 26, 2001
Amended – December 7, 2005
Amended – January 18, 2012

KPMG

BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC. AND AFFILIATES (FORMERLY KNOWN AS MILTON HOSPITAL FOUNDATION, INC. AND AFFILIATES)

Consolidated Financial Statements and Other Financial Information

September 30, 2012

(With Independent Auditors' Report Thereon)

**BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC.
AND AFFILIATES (FORMERLY KNOWN AS
MILTON HOSPITAL FOUNDATION, INC.
AND AFFILIATES)**

September 30, 2012

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KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Independent Auditors' Report

Board of Directors
Beth Israel Deaconess Hospital – Milton Foundation, Inc.
and Affiliates (formerly known as Milton Hospital Foundation, Inc. and Affiliates):

We have audited the accompanying consolidated balance sheet of Beth Israel Deaconess Hospital – Milton Foundation, Inc. and Affiliates (The Foundation) (formerly known as Milton Hospital Foundation, Inc. and Affiliates) as of September 30, 2012, and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation'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 consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Beth Israel Deaconess Hospital – Milton Foundation, Inc. and Affiliates as of September 30, 2012, and the results of their operations, changes in net assets, and cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

KPMG LLP

December 20, 2012

BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC. AND AFFILIATES (FORMERLY KNOWN AS MILTON HOSPITAL FOUNDATION, INC. AND AFFILIATES)

Consolidated Balance Sheet

September 30, 2012

Assets

Current assets:		
Cash and cash equivalents	$	947,894
Investments		10,849,485
Patient accounts receivable, net of allowance for uncollectible accounts of $1,394,690		7,778,609
Other current assets		4,254,024
Total current assets		23,830,012
Assets limited or restricted as to use:		
Held by trustees under debt and other agreements		2,928,843
Held for specific purposes and endowments		13,253,264
		16,182,107
Property and equipment, net		85,762,162
Professional liability reinsurance recoveries		263,500
Other assets		708,948
Total assets	$	126,746,729

See accompanying notes to consolidated financial statements.

**BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC.
AND AFFILIATES (FORMERLY KNOWN AS
MILTON HOSPITAL FOUNDATION, INC.
AND AFFILIATES)**

Consolidated Balance Sheet

September 30, 2012

Liabilities and Net Assets

Current liabilities:		
Current portion of long-term debt	$	771,213
Accounts payable and accrued expenses		13,109,441
Estimated settlements with third-party payers		1,601,826
Total current liabilities		15,482,480
Long-term debt, net of current portion		30,715,250
Professional liability		349,930
Employee benefit plans liability		14,690,583
Other liabilities		4,645,873
Total liabilities		65,884,116
Net assets:		
Unrestricted		47,609,865
Temporarily restricted		10,464,914
Permanently restricted		2,787,834
Total net assets		60,862,613
Total liabilities and net assets	$	126,746,729

BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC.
AND AFFILIATES (FORMERLY KNOWN AS
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AND AFFILIATES)

Consolidated Statement of Operations

Year ended September 30, 2012

Revenue and other support:		
Net patient service revenue	$	76,273,396
Other revenue		5,416,291
Net assets released from restrictions used in operations		27,632
Total revenue and other support		81,717,319
Expenses:		
Salaries and wages		33,771,357
Fringe benefits		6,906,015
Professional compensation		4,987,159
Supplies and expenses		23,818,340
Interest		2,296,322
Depreciation and amortization		5,030,761
Health safety net assessment		594,131
Provision for uncollectible accounts		2,550,473
Total expenses		79,954,558
Income from operations		1,762,761
Nonoperating gains:		
Interest and dividends		242,474
Net realized gains on sales of investments		114,833
Total nonoperating gains		357,307
Excess of revenue, other support and gains over expenses, before effects of affiliation		2,120,068
Effects of affiliation (note 16):		33,971,418
Excess of revenue, other support and gains over expenses, after effects of affiliation		36,091,486
Other changes in unrestricted net assets:		
Net unrealized gains on investments		802,770
Net transfers from affiliate		1,000,000
Net assets released from restrictions for capital acquisition		117,564
Changes in funded status of employee benefit plan other than net periodic pension cost		(3,120,824)
Other changes in unrestricted net assets		(702,866)
		(1,903,356)
Increase in unrestricted net assets	$	34,188,130

See accompanying notes to consolidated financial statements.

**BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC.
AND AFFILIATES (FORMERLY KNOWN AS
MILTON HOSPITAL FOUNDATION, INC.
AND AFFILIATES)**

Consolidated Statement of Changes in Net Assets

Year ended September 30, 2012

Unrestricted net assets:		
Excess of revenue, other support and gains over expenses, after effects of affiliation	$	36,091,486
Unrealized gains on investments		802,770
Net transfers from affiliate		1,000,000
Net assets released from restrictions for capital acquisition		117,564
Changes in funded status of employee benefit plan other than net periodic pension cost		(3,120,824)
Other changes in unrestricted net assets		(702,866)
Increase in unrestricted net assets		34,188,130
Temporarily restricted net assets:		
Contributions		66,557
Investment income		90,686
Net realized and unrealized gains on investments		439,101
Net unrealized gains on funds held in trust		820,821
Net assets released from restrictions		(197,357)
Increase in temporarily restricted net assets		1,219,808
Change in net assets		35,407,938
Net assets, beginning of year		25,454,675
Net assets, end of year	$	60,862,613

See accompanying notes to consolidated financial statements.

**BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC.
AND AFFILIATES (FORMERLY KNOWN AS
MILTON HOSPITAL FOUNDATION, INC.
AND AFFILIATES)**

Consolidated Statement of Cash Flows

Year ended September 30, 2012

Cash flows from operating activities:		
Change in net assets	$	35,407,938
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Effects of affiliation		(33,971,418)
Depreciation and amortization		4,972,911
Amortization of deferred financing costs		57,850
Provision for uncollectible accounts		2,550,473
Net unrealized gains on investments		(2,055,645)
Restricted contributions and investment income		152,534
Addition to minimum pension liability		3,120,824
Increase (decrease) in cash resulting from a change in:		
Accounts receivable		(2,246,176)
Other current assets		806,565
Accounts payable and accrued expenses		(1,655,273)
Other assets and liabilities		(626,435)
Estimated settlements with third-party payors		(683,724)
Net cash provided by operating activities		5,830,424
Cash flows from investing activities:		
Purchases of property, plant and equipment		(3,444,234)
Proceeds from sales of investments and assets whose use is limited		88,083
Net cash used in investing activities		(3,356,151)
Cash flows from financing activities:		
Restricted contributions and investment income		(152,534)
Principal payments on long-term debt and capital lease		(8,866,677)
Issuance of debt		6,483,727
Net cash used in financing activities		(2,535,484)
Net decrease in cash and cash equivalents		(61,211)
Cash and cash equivalents, beginning of year		1,009,105
Cash and cash equivalents, end of year	$	947,894
Supplemental disclosure of cash flow information:		
Cash paid for interest, net of amount capitalized	$	2,296,322

See accompanying notes to consolidated financial statements.

(1) Operations

The Beth Israel Deaconess Hospital – Milton Foundation, Inc. (The Foundation) (formerly known as Milton Hospital Foundation, Inc.) is the sole member of Beth Israel Deaconess Hospital – Milton (formerly known as Milton Hospital, Inc.) (the Hospital), Milton Hospital Development Fund, Inc. (the Development Fund) and Community Physician Associates, Inc. (CPA). The Foundation also has a wholly owned subsidiary, Horizon Ventures, Inc. (Horizon Ventures). The Foundation and its affiliated entities (collectively referred to as the Foundation) operate for the purpose of providing inpatient, outpatient and emergency care services for residents of Milton, Massachusetts and its surrounding communities.

In addition to charity care, the Hospital provides a wide variety of services to the community in order to ensure access to appropriate care for populations in need. Such services include various clinics, health screening programs, health education programs and support groups operated in the Hospital's service area. The Hospital also participates in activities designed to foster a vital local economic and civic environment.

Under the affiliation agreement effective January 1, 2012, Beth Israel Deaconess Medical Center, Inc. (the Medical Center) became the sole corporate member of the Foundation and its affiliates. No consideration was transferred in connection with the affiliation which was consummated to enhance an existing clinical affiliation and allow both institutions to further their common mission of promoting the health of the communities they serve (see note 16).

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles and include the accounts of the above-named entities. Significant intercompany balances and transactions have been eliminated.

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

The Foundation considers events in transactions that occur after the balance sheet date, but before the consolidated financial statements are issued, to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. These consolidated financial statements were issued on December 20, 2012 and subsequent events have been evaluated through that date.

Net assets are classified into permanently restricted, temporarily restricted, and unrestricted net assets, when appropriate, to properly disclose the nature and amount of significant resources that have been restricted in accordance with specified objectives.

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(b) Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with an original maturity of three (3) months or less when purchased, excluding amounts whose use is limited by the Foundation's Board of Directors' designation or other arrangements under indenture agreements.

(c) Uncompensated Care and Provision for Uncollectible Accounts

The Hospital provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its charity care policy.

The Hospital grants credit without collateral to patients, most of whom are local residents and are insured under third party arrangements. Additions to the allowance for uncollectible accounts are made by means of the provision for uncollectible accounts. Accounts written off as uncollectible are deducted from the allowance and subsequent recoveries are added. The amount of the provision for uncollectible accounts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in federal and state governmental healthcare converge and other collection indicators.

(d) Fair Value of Financial Instruments

The Foundation determines the fair value of financial instruments and includes this information in the notes to the consolidated financial statements when the fair value is materially different than the carrying value of those financial instruments.

(e) Investments and Investment Income

The Foundation records its investment securities at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. See note 5 for a discussion of fair value measurements.

Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess of revenues over expenses unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments are excluded from the excess of revenues over expenses unless the investments are trading securities or the decline in market value below cost is determined to be other than temporary. On a periodic basis, the Foundation reviews significant declines in the value of securities below historical cost and records an impairment charge (included in the performance indicator) for declines determined to be other than temporary.

Investment income on assets held in trust under long-term debt agreements, to the extent not capitalized, is reported as other revenue. Unrestricted investment income and gains and losses from all other investments are reported as nonoperating gains. Restricted investment income and investment gains are reported as additions to the appropriate donor-restricted net assets.

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(f) Assets Whose Use is Limited or Restricted

Assets whose use is limited or restricted (consisting primarily of investments) include: assets set aside by the Board of Directors over which the board retains control and may, at its discretion, use for various purposes, assets specified by donors or grantors for specific purposes, assets set aside in accordance with loan agreements and assets held in trust by outside charitable trusts.

(g) Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Expenditures for maintenance and repairs are charged to operations, as incurred.

(h) Long-Lived Assets

Long lived assets such as property, plant, and equipment are reviewed for impairment whenever circumstances indicate that the carrying amount of the asset may not be recoverable. If circumstances require a long lived asset be treated for possible impairment, the Foundation first compare undiscounted cash flows expected to be generated by an asset to the carrying value of the asset. If the carrying value of the long lived asset is not recoverable on an undiscounted cash flow basis, then impairment is recognized to the extent that the carrying amount exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third party independent appraisals, as considered necessary.

(i) Deferred Financing Costs

The direct costs incurred in the placement of Massachusetts Development Finance Agency bonds have been capitalized and are being amortized on a straight-line basis, which approximates the effective interest method, over the term of the related bonds or loans.

(j) Statement of Operations

For purposes of presentation, transactions deemed by management to be ongoing, major or central to the provision of health care services are reported as revenue and expenses. Peripheral or incidental transactions are reported as nonoperating gains and losses, which consist primarily of contributions, investment income and net realized gains and losses on investments.

(k) Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amount from patients, third party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third party payors. Under the terms of various agreements, regulations, and statutes, certain elements of third party reimbursement are subject to negotiation, audit, and/or final determination by the third party payors. As a result, there is at least a reasonable

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possibility that the recorded estimates will change by a material amount in the near future. Variances between preliminary estimates of net patient service revenue and final third party settlements are included in net patient service revenue in the year in which the settlement or change in estimate occurs.

(l) Contributions

Contributions received, including pledges, are recorded as revenues in the period received, at their fair values. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the 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 as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same operating period are presented as unrestricted support. The Foundation reports gifts of property as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated assets or acquired long-lived assets are placed in service.

(m) Income Taxes

The Foundation and its affiliates have been determined to be not-for-profit organizations as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code, with the exception of Horizon Ventures, which is a for-profit corporation and is subject to tax. The Foundation annually evaluates its tax status and tax positions taken with respect to its operations and financial position. Tax years from 2007 through the current year remain open for examination by federal and state taxing authorities.

The Foundation recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon settlement. Changes in measurement are reflected in the period in which the change in judgment occurs. The Foundation did not recognize the effect of any income tax provisions in 2012.

(n) Excess of Revenue, Other Support and Gains Over Expenses and Losses

The consolidated statement of operations includes the excess of revenue, other support and gains over expenses and losses. Changes in unrestricted net assets which are excluded from the excess of revenues, other support and gains over expenses and losses, consistent with industry practice, include net unrealized gains and losses on investments, contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring

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such assets), and the change in the additional minimum pension liability not recognized in net periodic pension cost.

(o) Insurance

The Hospital is self insured for workers' compensation programs and carries claims made insurance for professional and general liability. Estimated losses and claims are accrued as incurred.

(p) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Foundation has been limited by donors to a specific period or purpose and include accumulated appreciation (both realized and unrealized) on permanently restricted funds that are not available for current use under the Foundation's spending policy approved by the Board of Directors. Temporarily restricted net assets are restricted primarily for the purchase of equipment and other fixed assets, funding charity care and specific Hospital programs and support of educational activities.

Permanently restricted net assets have been restricted by donors to be maintained by the Hospital in perpetuity and are comprised of investments and amounts held in trust by Beth Israel Deaconess Hospital – Milton, Inc.

The Foundation has interpreted state law as requiring realized and unrealized gains of permanently restricted net assets to be retained in a temporarily restricted net asset classification until appropriated by the Hospital's Board of Directors (the Board) and expended. State law allows the Board to appropriate as much of the net appreciation of permanently restricted net assets as is prudent considering the Hospital's long and short-term needs, present and anticipated financial requirements, expected total return on investments, price-level trends, and general economic conditions.

(q) Recently Issued Accounting Pronouncements

In July 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (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* (ASU 2011-07), which requires certain health care entities to change the presentation of their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts). Additionally, those health care entities are required to provide enhanced disclosure about their policies for recognizing revenue and assessing bad debts. The amendments also require disclosures of patient service revenue (net of contractual allowances and discounts) as well as qualitative and quantitative information about changes in the allowance for doubtful accounts. ASU 2011-07 is effective for the Foundation's fiscal year beginning October 1, 2012, and the change in presentation is not expected to significantly impact the Foundation's financial position, results of operations or cash flows.

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In August 2010, the FASB issued ASU No. 2010-23, *Health Care Entities* (Topic 954): *Measuring Charity Care for Disclosure* (ASU 2010-23), which standardizes cost as a basis for charity care disclosures and specifies the elements of cost to be used in charity care disclosures. ASU 2010-23 was effective for the Foundation's fiscal year beginning October 1, 2011 and did not significantly impact the Foundation's financial position, results of operations, or cash flows.

Also in August 2010, the FASB issued ASU No. 2010-24, Health Care Entities (Topic 954): *Presentation of Insurance Claims and Related Insurance Recoveries* (ASU 2010-24), which eliminates the practice of netting claim liabilities with expected related insurance recoveries for balance sheet presentation. Claim liabilities are to be determined with no regard for recoveries and presented gross. Expected recoveries are presented separately. The implementation of ASU 2010-24 effective October 1, 2011 resulted in an increase of $263,500 in long-term assets and a corresponding increase in long-term liabilities as of September 30, 2012.

(3) Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to a concentration of credit risk are patient accounts receivable, cash and cash equivalents and other interest-bearing investments. The Foundation invests available cash in money market securities of various banks, commercial paper of domestic companies with high credit ratings, mutual funds, alternative investments, marketable securities, and fixed income securities.

The Foundation is located in Milton, Massachusetts. The Hospital and CPA grant credit, without collateral, to their patients, many of whom are local residents and are insured under third-party payor agreements.

The mix of accounts receivable from patients and third-party payors was as follows as of September 30:

Medicare	33%
Medicaid	4%
Health maintenance organizations	38%
Other third-party payors, including commercial	13%
Self-pay	12%
	100%

Management monitors and evaluates its allowance for uncollectible accounts to ensure that receivables are stated at their net realizable value. Management believes that the receivable balances from various payors do not represent any concentration of credit risk.

The Foundation has a potential concentration of credit risk in that it maintains deposits with a financial institution in excess of amounts insured by the Federal Deposit Insurance Corporation (FDIC). The maximum deposit insurance amount is $250,000 for interest-bearing accounts, which is applied per depositor, per insured depository institution for each account ownership category. Noninterest bearing

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transaction deposit accounts are provided unlimited insurance coverage through December 31, 2012. As of September 30, 2012, the Foundation had approximately $697,894 in excess of FDIC limits.

(4) Uncompensated Care

Charity Care

As a community provider of health care services, the Foundation maintains programs to promote the overall well-being of the community in which it serves. These include: health clinics and screening programs, health education services and support groups, and the provision of inpatient and outpatient hospital services. These services are available to all individuals regardless of their ability to pay for such services. Those unable to pay for the care they receive are eligible to benefit from the Foundation's charity care policy.

In accordance with the Commonwealth of Massachusetts' Health Safety Net (HSN) guidelines, the Hospital maintains records to identify and monitor the volume of patients to whom it provides free care. These records include completed applications for eligible patients and the dates and amounts for all charges furnished under the Hospital's free care policies and submitted to the HSN.

The following presents the level of free care charges forgone, the costs incurred (based on the Hospital's overall cost to charge ratio) to provide free care and the Hospital's percentage of free care services provided for the year ended September 30:

Free care charges based on established rates	$	2,225,400
Estimated costs and expenses incurred to provide charity care		899,900
Equivalent percentage of charity care patients to all patients served		1.20%

The Hospital's net amount paid to, or reimbursed from, the HSN is based on the relationship between the Hospital's private sector (i.e., nongovernmental) charges and those charges recognized and adjudicated by HSN as free care. The following detail identifies approximately the total amount paid to the HSN along with the amount received as reimbursement for providing free care services during the year ended September 30:

HSN assessment	$	594,000
Free care claims recognized		(152,000)
Net amount paid to HSN	$	442,000

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(5) Net Patient Service Revenue

Net patient service revenue was comprised of the following for the year ended September 30:

Patient service revenue:		
Routine	$	20,093,497
Special services:		
Inpatient		63,105,169
Outpatient		102,523,190
Other		1,478,173
		187,200,029
Less contractual adjustments and free care allowances		110,926,633
	$	76,273,396

(6) Assets Whose Use is Limited or Restricted and Short-Term Investments

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

Fair value represents the price that would be received upon the sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants as of the measurement date. Financial instruments that are measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1 – quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. Level 1 includes debt and equity securities that trade in an active exchange market, as well as U.S. Treasury securities;
- Level 2 – observable prices that are based on inputs not quoted in active markets, but corroborated by market data. This category generally includes certain U.S. governmental and agency mortgage-backed debt securities, corporate debt securities, and some alternative investments; and
- Level 3 – unobservable inputs are used when little or no market data is available. Significant professional judgment is used in determining the fair value assigned to such assets or liabilities. This category includes financial instruments whose value is determined using pricing models, discounted cash flow methodologies or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. Investments that are included in this category generally include limited partnerships, private equity, real estate funds, and hedge funds.

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Following is a description of the valuation methodologies used for assets at fair value:

Cash and cash equivalents: Money market funds are valued at the net asset value (NAV) reported by the financial institution.

Mutual funds and equities: Valued at the closing price reported on an active market on which the individual securities are traded.

Private equities, credit related, and real assets: The estimation of fair value of investments in investment companies for which investment does not have a readily determinable value is made using the NAV per share or its equivalent as a practical expedient.

The Foundation owns interests in alternative investment funds rather than in the securities underlying each fund and, therefore, it is generally required to consider such investments as Level 2 or 3 for purposes of applying ASC 820-10, *Fair Value Measurements*, even though the underlying securities may not be difficult to value or may be readily marketable. The Foundation has applied the provisions of Accounting Standards Update 2009-12, *Investment in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)*, for its alternative investments. This standard allows for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable value using NAV per share or its equivalent as a practical expedient. The Foundation has utilized the NAV reported by each of the underlying funds as a practical expedient to estimate the value of the investment. Also, because the Foundation uses NAV as a practical expedient to estimate fair value, the level in the fair value hierarchy in which each fund's fair value measurement is classified is based primarily on the Foundation's ability to redeem its interest in the fund at or near the date of the consolidated balance sheet. Accordingly, the inputs or methodology used for valuing or classifying investments for financial reporting purposes are not necessarily an indication of the risk associated with investing in those investments or a reflection on the liquidity of each fund's underlying assets and liabilities.

Fixed income: The accounts invest principally in fixed income instruments and debt instruments. Account investments are primarily valued using market quotations or prices obtained from independent pricing sources which may employ various pricing methods to value the investments including matrix pricing.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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The following table presents information about the Foundation's assets that are measured at fair value on a recurring basis as of September 30, 2012, and indicates the fair value hierarchy of the inputs utilized to determine such fair value:

	Level 1	Level 2	Level 3	Total	Redemption period frequency	Days notice
Investments:						
Domestic equities	$ 1,324,344	1,313,787	—	2,638,131	Daily-Monthly	1 – 15
Global equities	1,830,851	—	—	1,830,851	Daily	1
Absolute return and hedged equity	—	1,026,932	—	1,026,932	Quarterly	95
Fixed income	8,837,234	2,048,022	—	10,885,256	Daily-Quarterly	1 – 15
Cash and cash equivalents	3,098,070	—	—	3,098,070	Daily	1
Funds held in trust	43,200	—	7,400,824	7,444,024	Daily-Illiquid	1 – NA
Total	$ 15,133,699	4,388,741	7,400,824	26,923,264		

	Daily	Monthly	Quarterly	Illiquid	Total
Domestic equities	$ 1,324,344	1,313,787	—	—	2,638,131
Global equities	1,830,851	—	—	—	1,830,851
Absolute return and hedged equity	—	—	1,026,932	—	1,026,932
Fixed income	8,973,858	—	1,911,396	—	10,885,254
Cash and cash equivalents	3,098,072	—	—	—	3,098,072
Funds held in trust	43,200	—	—	7,400,824	7,444,024
Total	$ 15,270,325	1,313,787	2,938,328	7,400,824	26,923,264

The following table sets forth a summary of changes in the fair value of the Foundation's Level 3 investments for the year ended September 30, 2012:

	Fair value measurements using significant unobservable inputs		
	Beginning balance	Changes in net unrealized gains	Ending balance
Funds held in trust	$ 6,594,082	806,742	7,400,824
Total	$ 6,594,082	806,742	7,400,824

(Continued)

The realized and unrealized gains related to the Level 3 investments are reported as realized and unrealized gains in the consolidated statement of changes in net assets.

Under the terms of the partnership interest funds, the Foundation has the ability to redeem the value of the investments throughout the course of the year. The Foundation is not obligated to remit additional funding periodically as capital or liquidity calls are not exercised by the managers of the funds.

Unrealized losses at September 30, 2012 are shown below on assets whose use is limited or restricted and short-term investments. None of these are considered other than temporary.

	Time period in loss position			
	Less than 12 months		Greater than 12 months	
	Fair value	Unrealized loss	Fair value	Unrealized loss
Global equity	$ —	—	1,830,851	318,804
Fixed income	1,012,372	5,806	—	—

(7) Endowments

The Foundation's endowment includes both donor restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by U.S. generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Foundation has interpreted state law as requiring realized and unrealized gains of permanently restricted net assets to be retained in a temporarily restricted net asset classification until appropriated by the Foundation's board of directors and expended. State law allows the board to appropriate as much of the net appreciation of permanently restricted net assets as is prudent considering the Foundation's long and short-term needs, present and anticipated financial requirements, expected total return on investments, price-level trends, and general economic conditions.

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

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Changes in endowment assets for the year ended September 30, 2012 were as follows:

	Board designated	Temporarily restricted	Permanently restricted	Total
Balance at the beginning of the year	$ 10,288,952	2,441,393	2,757,834	15,488,179
Contributions	—	40,848	—	40,848
Appropriations	(745,418)	(85,247)	—	(830,665)
Investment income	364,972	90,686	—	455,658
Unrealized and realized gains	917,603	455,899	—	1,373,502
Balance at the end of the year	$ 10,826,109	2,943,579	2,757,834	16,527,522

Under the Foundation's policy, endowment assets are invested conservatively with the intent of providing a predictable stream of funding to the Foundation. The Foundation invests in mutual funds, alternative investments, money markets, marketable equity securities, fixed income securities, certificates of deposit and cash and cash equivalents to achieve its long-term return objectives within limited risk constraints. Actual returns in any year may vary from budgeted amounts due to market fluctuations.

(8) Property and Equipment

Property and equipment consisted of the following at September 30:

Land and improvements	$ 8,860,900
Buildings and improvements	70,410,611
Major movable equipment	10,277,402
Total	89,548,913
Less accumulated depreciation and amortization	4,248,561
	85,300,352
Construction in progress	461,810
Property and equipment, net	$ 85,762,162

(Continued)

(9) Long-Term Debt

Long-term debt consisted of the following at September 30:

	September 30, 2012
Massachusetts Health and Educational Facilities Authority (MHEFA) Revenue Bonds:	
Milton Hospital Issue, Series C	$ —
Milton Hospital Issue, Series D	27,594,407
Bank installment loans	3,811,865
Capital lease obligations	80,191
	31,486,463
Less current portion	(771,213)
	$ 30,715,250

(a) Milton Hospital, Inc. Series C

In August 2001, the Hospital entered into an agreement with the Massachusetts Health and Educational Facilities Authority (MHEFA) to issue, on an insured basis, $18,465,000 of MHEFA Revenue Bonds, Milton Hospital Issue, Series C (the Series C Bonds). Proceeds of the Series C Bonds were deposited in a refunding trust which, with accumulated interest, was used to redeem the Series B bonds on November 5, 2001. As of July 19, 2012 the Series C Bonds were defeased.

(b) Milton Hospital. Inc. Series D

In November 2005, the Hospital entered into a Loan and Trust Agreement with the Massachusetts Health and Educational Facilities Authority (MHEFA) and U.S. Bank National Association to issue, on an insured basis, $33,000,000 of MHEFA Revenue Bonds, Milton Hospital Issue, Series D (the Series D Bonds). The Bonds were issued to finance and/or reimburse the capital costs of the development, construction, equipping and furnishing of an addition to the Hospital, as well as a new parking deck. Annual interest rates on the outstanding Series D Bonds range from five and one-quarter percent (5.25%) to five and one-half percent (5.5%). Collateral for the Series D Bonds consists of a second lien on the Hospital's gross receipts and a mortgage on the Hospital's real property.

The Series D Bonds mature serially on July 1 of each year through 2041. Beginning in 2016, annual sinking fund installments are due on the bonds, with a final principal payment to retire the bonds due in 2041. The bonds maturing after July 1, 2030 are subject to redemption prior to maturity at a redemption price of one hundred percent (100%) of the remaining principal amount due. The fair value of the bonds at September 30, 2012 approximated carrying value. In conjunction with the

(Continued)

affiliation the value of the Hospital debt was adjusted based on a market appraisal as of January 1, 2012, and was discounted by $5,077,738.

On July 14, 2004, the Hospital entered into an agreement with Century Bank and Trust Company for a term note in the amount of $3,000,000 to fund renovations to the medical office building at the Highland Street location. The agreement provides for monthly payments of interest only on the outstanding principal balance, at a fixed rate of LIBOR plus eight-tenths percent (0.80%). Interest rates at September 30, 2012 were 1.83%. As of August 14, 2005, the Hospital began making monthly payments of principal and interest through July 2015. The mortgage is secured by a first priority security interest in the Hospital's unrestricted investments. As of September 30, 2012, the outstanding amount was $971,416.

In January 2005, the Hospital entered into a variable rate mortgage note payable with Century Bank and Trust Company with a ten (10) year term for the purchase of property in Milton, Massachusetts. The note is payable in monthly installments of principal and interest, with the interest portion based on the one (1) year LIBOR plus one hundred and fifteen basis points computed on the basis of a 360 day year counting the actual number of days elapsed. Interest rates at September 30, 2012 were 2.19 %. The mortgage is secured by a first priority security interest in the Hospital's unrestricted investments. As of September 30, 2012, the outstanding amount was $189,906.

In January 2008, the Hospital entered into a working capital variable rate note payable with Century Bank and Trust Company with a twelve (12) year term. The note is payable in monthly installments of principal and interest, with the interest portion based on the one (1) year LIBOR rate plus two and one-half percent (2.5%). The interest rates at September 30, 2012 were 3.62%. The note is secured by a first priority security interest in the Hospital's unrestricted investments. As of September 30, 2012, the outstanding amount was $2,650,543.

The Hospital entered into a $175,989 lease for copy machines. Payments of $3,420, consisting of both principal and interest, are due monthly at a fixed interest rate of six percent (6%) through October 2014. As of September 30, 2012, the outstanding amount was $80,191.

The Hospital's Series D debt agreements contain limitations on additional indebtedness, mergers, and other covenants, and maintenance of minimum debt service coverage ratios. Management believes the Hospital is in compliance with the required covenants as of September 30, 2012.

(Continued)

(c) Scheduled Principal Payments

Aggregate principal payments on long-term debt, including capital lease obligations, are summarized as follows:

2013	$	771,213
2014		754,633
2015		673,976
2016		358,271
2017		1,086,192
Thereafter		27,842,178
	$	31,486,463

(d) Beth Israel Deaconess Medical Center

In July 2012, the Hospital repaid the remaining $6,105,000 of its Series C Bonds utilizing proceeds from a loan from the Medical Center, which matures in July 2016. The note payable to the Medical Center was $6,223,792 at September 30, 2012 and is recorded in accounts payable and accrued expenses and in other liabilities on the consolidated balance sheet. As a result of the retirement, Milton recorded a loss on early extinguishment of debt of $101,300, which is reported in the consolidated statement of operations as effects of affiliation.

(10) Note Payable, Line of Credit

The Hospital maintained a $1,500,000 revolving line of credit agreement with Century Bank and Trust Company, which expired on September 25, 2012. Borrowings under this agreement were due on demand, and interest was payable monthly at the bank's prime rate plus one percent (1%). The line of credit was guaranteed by the Medical Center.

(11) Operating Leases

The Hospital rents physician office space with lease payments of approximately $11,700 per month. Total annual rent payments amount to $140,400, which will continue through the remainder of the lease term ending March 1, 2015. Rent expense amounted to $140,400 in 2012.

In November 2007, the Hospital entered into an operating lease for surgical equipment with lease payments of approximately $12,800 per month. Total annual rent payments amount to $153,600, which continued through the remainder of the lease term ending November 1, 2011, and then proceeding on a month to month basis until October 2012. Rent expense amounted to $140,481 in 2012.

In November 2007, the Hospital entered into an operating lease for numerous pieces of surgical equipment with lease payments of approximately $44,300 per month. Total annual rent payments amount to $531,600, which will continue through the remainder of the lease term ending November 29, 2012. Rent expense amounted to $487,245 in 2012.

(Continued)

In August 2009, the Hospital entered into an operating lease for numerous pieces of computer equipment with lease payments of approximately $23,900 per month. Total annual rent payments amount to $287,000, which will continue through the remainder of the lease term ending July 31, 2013. Rent expense amounted to $263,219 in 2012.

The following is a schedule, by year, of the future minimum operating lease payments as of September 30:

2013	$ 910,966
2014	184,431
2015	58,390
	$ 1,153,787

(12) Retirement Plan

The Hospital maintains a noncontributory qualified defined benefit pension plan (the Plan) that covers substantially all of its eligible employees. Pursuant to a vote of the Board of Directors, benefits under the Plan were frozen effective July 1, 2004. The Hospital's policy is to make contributions to the Plan in such amounts necessary to fund benefits provided under the Plan on the basis of information furnished by the actuary. The Hospital contributed $1,679,762 to the Plan during the year ended September 30, 2012. Additionally, based on the plan actuary's calculations, the Hospital expects to contribute $738,958 to the Plan in fiscal year 2013.

(a) Funded Status

Accounting for Defined Benefit Pension and Other Postretirement Plans focuses primarily on balance sheet reporting for the funded status of benefit plans and requires recognition of benefit liabilities for under-funded plans and benefit assets for over-funded plans, with offsetting impacts to unrestricted net assets.

(Continued)

Benefit obligation at beginning year	$	33,053,506
Interest cost		1,677,036
Actuarial loss		5,412,717
Benefits paid		(871,819)
Effect of affiliation		614,017
Benefit obligation at end of year		39,885,457
Fair value of plan assets at beginning of year		21,291,753
Actual return on plan assets		3,189,114
Employer contributions		1,679,762
Benefits paid		(871,819)
Administrative expenses		(93,936)
Fair value of plan assets at end of year		25,194,874
Funded status	$	(14,690,583)

(b) Net Periodic Pension Cost

Net periodic pension costs for the Plan are comprised of the components listed below:

Interest cost	$	1,677,036
Expected return on plan assets		(1,940,792)
Amortization of unrecognized actuarial loss		1,138,007
Net periodic pension cost	$	874,251

(c) Assumptions

The significant underlying assumptions used to determine the net periodic pension cost for the year ended September 30, 2012 were:

Discount rate	3.91%
Long-term rate of return	8.00%

The discount rate reflects the rate at which the pension benefits could be effectively settled. In estimating those rates, the Hospital looks to available information about rates implicit in current prices of annuity contracts that could be used to effect settlement of the obligation (including information about available annuity rates currently published by the Pension Benefit Guaranty Corporation). In making those estimates, the Hospital also looks to rates of return on high-quality

(Continued)

fixed-income investments currently available and expected to be available during the period to maturity of the pension benefits.

The expected long-term rate of return on plan assets reflects the average rate of earnings expected on the funds invested or to be invested to provide for the benefits included in the projected benefit obligation. In estimating that rate, the Hospital gave appropriate consideration to the returns being earned by the plan assets in the fund and the rates of return expected to be available for reinvestment. The Foundation's investment objective for the Plan is to achieve the highest reasonable total return after considering the Plan liabilities, funded status, projected cash flows, projected markets returns, benefit obligation and the Foundations' ability and willingness to incur market risk.

(d) Plan Assets

The Foundation's policy is to invest assets consistent with the fiduciary requirements under existing federal laws and prudent investment practices. The goal is to preserve and enhance capital over time, both in nominal and real terms.

Plan assets were invested in the following classes of securities:

		September 30, 2012
Equity	$	46%
Fixed Income		50
Cash and cash equivalents		4
	$	100%

The target allocation of the various asset classes is as follows:

Asset class	**Target allocation**
Equity	45%
Fixed income	56%
Cash and cash equivalents	0%

(Continued)

The Hospital's pension plan asset allocations by asset category, using the fair value hierarchy as defined in note 6, are as follows at September 30, 2012:

	Level 1	Level 2	Level 3	Total
Investments:				
Domestic equities	$ —	8,033,689	—	8,033,689
Global equities	3,427,141	—	—	3,427,141
Fixed income	3,379,324	9,314,827	—	12,694,151
Cash and cash equivalents	1,039,893	—	—	1,039,893
Total	$ 7,846,358	17,348,516	—	25,194,874

(e) Benefit Payments

During the year ended September 30, 2012, the Plan made benefit payments of $871,819. The following benefit payments are expected to be paid during the year ended September 30:

2013	$ 1,332,335
2014	1,450,940
2015	1,580,864
2016	1,675,848
2017	1,752,007
2018 through 2022	11,091,551

The Hospital maintains a 403(b) employee savings plan. The Plan covers all eligible employees of the Hospital and provides both an annual core contribution, as well as a matching contribution to contributing employees. Effective May 17, 2009, the Hospital suspended its core contributions as well as matching and transitional benefits. For the year ended September 30, 2012, the Hospital made no contributions to the Plan.

(Continued)

(13) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets were comprised of and restricted as follows at:

	September 30, 2012
Amounts held in trust by outside charitable trust funds	$ 7,400,824
Operations	1,848,754
Property and equipment	65,377
Accumulated net realized and unrealized gains on permanently restricted donations subject to spending policy	1,149,959
	$ 10,464,914

Permanently restricted net assets include donor restricted amounts to be held in perpetuity. Income generated by these funds is to be used for operations, as deemed necessary by the Hospital's Board of Directors.

(14) Functional Expenses

Following is the functional classification of operating expenses for the Foundation for the year ended September 30:

	2012	Percentage
Patient services	$ 66,362,283	83%
Administrative and general	13,038,285	16%
Fundraising	553,990	1%
	$ 79,954,558	100%

(15) Commitments and Contingencies

The health care industry is subject to numerous laws and regulations of federal, state and local governments. Government activity is ongoing with respect to investigations and allegations concerning possible violations by health care providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretations, as well as regulatory actions unknown or unasserted at this time. Management believes that the Hospital is in substantial compliance with current laws and regulations.

(Continued)

Claims and legal actions are brought against the Foundation during the normal course of business. Management has taken the necessary steps to mitigate potential losses by obtaining insurance coverage and engaging legal counsel. In the opinion of management, no claims or legal actions have been asserted against the Hospital, which, individually or in the aggregate, will be in excess of its insurance coverage.

(16) Affiliation with Beth Israel Deaconess Medical Center, Inc.

The affiliation discussed in note 1 has been accounted for under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) guidance for not-for-profit entities regarding mergers and acquisitions, which defines a combination of one or more not-for-profit entities, business or nonprofit activities as either a merger or an acquisition. The guidance also establishes principles and requirements in determining whether a not-for-profit entity combination is a merger or acquisition, applies the carryover method in accounting for mergers, applies the acquisition method in accounting for acquisitions, including which of the combining entities is the acquirer, and requires enhanced disclosures about the merger or acquisition. In addition, it amends existing FASB ASC guidance on goodwill and other intangible assets and noncontrolling interests in consolidated financial statements to make previous guidance that was only applicable to for-profit entities fully applicable to not-for-profit entities.

As a result of the affiliation, the Hospital has recognized approximately $33,971,000 in its 2012 consolidated statement of operations and changes in net assets, primarily consisting of fair value adjustments related to property, plant and equipment ($30,717,000) and long-term debt ($5,077,000).

KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Independent Auditors' Report on Other Financial Information

Board of Directors
Beth Israel Deaconess Hospital – Milton Foundation, Inc.
and Affiliates (formerly known as Milton Hospital Foundation, Inc. and Affiliates):

We have audited and reported separately herein on the consolidated financial statements of Beth Israel Deaconess Hospital – Milton Foundation, Inc. and Affiliates (formerly known as Milton Hospital Foundation, Inc. and Affiliates) as of and for the year ended September 30, 2012.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis and is not a required part of the basic 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 of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

December 20, 2012

BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC. AND AFFILIATES (FORMERLY KNOWN AS MILTON HOSPITAL FOUNDATION, INC. AND AFFILIATES)

Consolidating Balance Sheet

September 30, 2012

Assets	Milton Hospital Foundation, Inc.	Milton Hospital, Inc.	Milton Hospital Development Fund, Inc.	Community Physician Associates, Inc.	Eliminations and Reclassifications	Consolidated Totals
Current assets:						
Cash and cash equivalents	$ 9,316	810,976	7,230	120,372	—	947,894
Investments	—	10,849,485	—	-	—	10,849,485
Patient accounts receivable, net	—	7,112,784	—	665,825	—	7,778,609
Other current assets	484,205	4,149,987	—	79,832	(460,000)	4,254,024
Total current assets	493,521	22,923,232	7,230	866,029	(460,000)	23,830,012
Assets limited or restricted as to use:						
Held by trustees under debt and other agreements	—	2,928,843	—	—	—	2,928,843
Held for specific purposes and endowments	—	13,211,314	41,950	—	—	13,253,264
	—	16,140,157	41,950	—	—	16,182,107
Property and equipment, net	8,887	85,659,958	2,147	91,170	—	85,762,162
Professional liability reinsurance recoveries	—	263,500	—	—	—	263,500
Other assets	—	628,948	—	80,000	—	708,948
Total assets	$ 502,408	125,615,795	51,327	1,037,199	(460,000)	126,746,729

(Continued)

BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC.
AND AFFILIATES (FORMERLY KNOWN AS
MILTON HOSPITAL FOUNDATION, INC.
AND AFFILIATES)

Consolidating Balance Sheet

September 30, 2012

Liabilities and Net Assets	Milton Hospital Foundation, Inc.	Milton Hospital, Inc.	Milton Hospital Development Fund, Inc.	Community Physician Associates, Inc.	Eliminations and Reclassifications	Consolidated Totals
Current liabilities:						
Current portion of long-term debt	$ —	771,213	—	—	—	771,213
Accounts payable and accrued expenses	1,794	10,830,001	393	2,277,253	—	13,109,441
Estimated settlements with third-party payers	—	1,601,826	—	—	—	1,601,826
Total current liabilities	1,794	13,203,040	393	2,277,253	—	15,482,480
Long-term debt, net of current portion	—	30,715,250	—	—	—	30,715,250
Professional liability	—	349,930	—	—	—	349,930
Employee benefit plans liability	—	14,690,583	—	—	—	14,690,583
Other liabilities	—	4,645,873	—	—	—	4,645,873
Total liabilities	1,794	63,604,676	393	2,277,253	—	65,884,116
Net assets:						
Unrestricted	500,614	48,809,305	—	(1,240,054)	(460,000)	47,609,865
Temporarily restricted	—	10,434,980	29,934	—	—	10,464,914
Permanently restricted	—	2,766,834	21,000	—	—	2,787,834
Total net assets	500,614	62,011,119	50,934	(1,240,054)	(460,000)	60,862,613
Total liabilities and net assets	$ 502,408	125,615,795	51,327	1,037,199	(460,000)	126,746,729

See accompanying independent auditors' report on other financial information.

**BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC.
AND AFFILIATES (FORMERLY KNOWN AS
MILTON HOSPITAL FOUNDATION, INC.
AND AFFILIATES)**

Consolidating Statement of Operations

Year ended September 30, 2012

	Milton Hospital Foundation, Inc.	Milton Hospital, Inc.	Milton Hospital Development Fund, Inc.	Community Physician Associates, Inc.	Eliminations and Reclassifications	Consolidated Totals
Revenue and other support						
Net patient service revenue	$ —	72,819,388	—	3,454,008	—	76,273,396
Other revenue	146,049	2,257,684	3,142,107	—	(129,549)	5,416,291
Net assets released from restrictions used in operations	—	27,632	—	—	—	27,632
Total revenue and other support	146,049	75,104,704	3,142,107	3,454,008	(129,549)	81,717,319
Expenses						
Salaries and wages	102,943	30,150,246	238,142	3,280,026	—	33,771,357
Fringe benefits	7,520	6,512,340	12,388	373,767	—	6,906,015
Professional compensation	—	4,826,696	2,853	157,610	—	4,987,159
Supplies and expenses	40,609	22,384,778	146,385	1,376,117	(129,549)	23,818,340
Interest	—	2,296,322	—	—	—	2,296,322
Depreciation and amortization	2,721	4,991,264	429	36,347	—	5,030,761
Health safety net assessment	—	594,131	—	—	—	594,131
Provision for uncollectible accounts	—	2,550,473	—	—	—	2,550,473
Total expenses	153,793	74,306,250	400,197	5,223,867	(129,549)	79,954,558
Income (loss) from operations	(7,744)	798,454	2,741,910	(1,769,859)	—	1,762,761
Nonoperating gains						
Interest and dividends	30	242,444	—	—	—	242,474
Net realized gains on sales of investments	—	114,833	—	—	—	114,833
Total nonoperating gains	30	357,277	—	—	—	357,307
Excess (deficiency) of revenue, other support and gains over expenses, before effects of affiliation	(7,714)	1,155,731	2,741,910	(1,769,859)	—	2,120,068
Effects of affiliation (note 16)	—	33,971,418	—	—	—	33,971,418
Excess (deficiency) of revenue, other support and gains over expenses, after effects of affiliation	(7,714)	35,127,149	2,741,910	(1,769,859)	—	36,091,486
Other changes in unrestricted net assets						
Net unrealized gains on investments	—	802,770	—	—	—	802,770
Net transfers from affiliate	79,737	1,378,415	(2,763,197)	2,305,045	—	1,000,000
Net assets released from restrictions for capital acquisition	—	117,564	—	—	—	117,564
Changes in funded status of employee benefit plan other than net periodic pension cos	—	(3,120,824)	—	—	—	(3,120,824)
Other changes in unrestricted net assets	—	(702,866)	—	—	—	(702,866)
	79,737	(1,524,941)	(2,763,197)	2,305,045	—	(1,903,356)
Increase (decrease) in unrestricted net assets	$ 72,023	33,602,208	(21,287)	535,186	—	34,188,130

See accompanying independent auditors' report on other financial information.

BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC. AND AFFILIATES (FORMERLY KNOWN AS MILTON HOSPITAL FOUNDATION, INC. AND AFFILIATES)

Consolidating Statement of Changes in Net Assets

Year ended September 30, 2012

	Milton Hospital Foundation, Inc.	Milton Hospital, Inc.	Milton Hospital Development Fund, Inc.	Community Physician Associates, Inc.	Eliminations and Reclassifications	Consolidated Totals
Excess (deficiency) of revenue, other support and gains over expenses, after effects of affiliation	$ (7,714)	35,127,149	2,741,910	(1,769,859)	—	36,091,486
Other changes in unrestricted net assets						
Net unrealized gains on investments	—	802,770	—	—	—	802,770
Net transfers from affiliate	79,737	1,378,415	(2,763,197)	2,305,045	—	1,000,000
Net assets released from restrictions for capital acquisition	—	117,564	—	—	—	117,564
Changes in funded status of employee benefit plan other than net periodic pension cost	—	(3,120,824)	—	—	—	(3,120,824)
Other changes in unrestricted net assets	—	(702,866)	—	—	—	(702,866)
Increase (decrease) in unrestricted net assets	72,023	33,602,208	(21,287)	535,186	—	34,188,130
Temporarily restricted net assets						
Contributions	—	44,744	21,813	—	—	66,557
Investment income	—	90,686	—	—	—	90,686
Net realized and unrealized gains on investments	—	439,101	—	—	—	439,101
Net unrealized gains on funds held in trust	—	820,821	—	—	—	820,821
Net assets released from restrictions	—	(197,357)	—	—	—	(197,357)
Increase in temporarily restricted net assets	—	1,197,995	21,813	—	—	1,219,808
Change in net assets	72,023	34,800,203	526	535,186	—	35,407,938
Net assets, beginning of year	428,591	27,210,916	50,408	(1,775,240)	(460,000)	25,454,675
Net assets, end of year	$ 500,614	62,011,119	50,934	(1,240,054)	(460,000)	60,862,613

See accompanying independent auditors' report on other financial information

**BETH ISRAEL DEACONESS HOSPITAL – MILTON FOUNDATION, INC.
AND AFFILIATES (FORMERLY KNOWN AS
MILTON HOSPITAL FOUNDATION, INC.
AND AFFILIATES)**

Consolidating Statement of Cash Flows

Year ended September 30, 2012

	Milton Hospital Foundation, Inc.	Milton Hospital, Inc.	Milton Hospital Development Fund, Inc.	Community Physician Associates, Inc.	Eliminations and Reclassifications	Consolidated Totals
Cash flows from operating activities						
Change in net assets	$ 72,023	34,800,203	526	535,186	—	35,407,938
Adjustments to reconcile change in net assets to net cash provided by operating activities						
Effects of affiliation	—	(33,971,418)	—	—	—	(33,971,418)
Depreciation and amortization	2,721	4,933,414	429	36,347	—	4,972,911
Amortization of deferred financing costs	—	57,850	—	—	—	57,850
Provision for uncollectible accounts	—	2,550,473	—	—	—	2,550,473
Net unrealized gains on investments	—	(2,055,645)	—	—	—	(2,055,645)
Restricted contributions and investment income	—	152,534	—	—	—	152,534
Addition to minimum pension liability	—	3,120,824	—	—	—	3,120,824
Increase (decrease) in cash resulting from a change in:						
Accounts receivable	—	(1,955,722)	—	(290,454)	—	(2,246,176)
Other current assets	(19,919)	873,657	—	(47,173)	—	806,565
Accounts payable and accrued expenses	(4,585)	(1,679,393)	393	28,312	—	(1,655,273)
Other assets and liabilities	(77,331)	(460,607)	3,564	(92,061)	—	(626,435)
Estimated settlements with third-party payors	—	(683,724)	—	—	—	(683,724)
Net cash (used by) provided by operating activities	(27,091)	5,682,446	4,912	170,157	—	5,830,424
Cash flows from investing activities						
Purchases of property, plant and equipment	—	(3,356,703)	—	(87,531)	—	(3,444,234)
Proceeds from sales of investments and assets whose use is limited	—	88,083	—	—	—	88,083
Net cash used in investing activities	—	(3,268,620)	—	(87,531)	—	(3,356,151)
Cash flows from financing activities						
Restricted contributions and investment income	—	(152,534)	—	—	—	(152,534)
Principal payments on long-term debt and capital lease	—	(8,866,677)	—	—	—	(8,866,677)
Issuance of debt	—	6,483,727	—	—	—	6,483,727
Net cash used in financing activities	—	(2,535,484)	—	—	—	(2,535,484)
Net (decrease) increase in cash and cash equivalents	(27,091)	(121,658)	4,912	82,626	—	(61,211)
Cash and cash equivalents, beginning of year	36,407	932,634	2,318	37,746	—	1,009,105
Cash and cash equivalents, end of year	$ 9,316	810,976	7,230	120,372	—	947,894
Supplemental disclosure of cash flow information						
Cash paid for interest, net of amount capitalized	$ —	2,296,322	—	—	—	2,296,322

See accompanying independent auditors' report on other financial information.