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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 10-01-2011 and ending 09-30-2012

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

C Name of organization
GRIFFIN HOSPITAL

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
130 DIVISION STREET

City or town, state or country, and ZIP + 4
DERBY, CT 06418

D Employer identification number
06-0647014

E Telephone number
(203)732-7528

G Gross receipts $ 129,508,601

F Name and address of principal officer
PATRICK S CHARMEL
130 DIVISION STREET
DERBY, CT 06418

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: ▶ GRIFFINHEALTH ORG

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

L Year of formation 1908

M State of legal domicile CT

Part I Summary

1 Briefly describe the organization's mission or most significant activities
GRIFFIN HOSPITAL IS COMMITTED TO PROVIDING PERSONALIZED, HUMANISTIC, CONSUMER-DRIVEN HEALTH CARE IN A HEALING ENVIRONMENT

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**	22
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	18
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	1,531
6	Total number of volunteers (estimate if necessary)	**6**	486
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	3,663,683
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-1,442,351

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	2,414,954	2,234,902
9	Program service revenue (Part VIII, line 2g)	127,604,535	126,387,570
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	456,315	464,000
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	421,266	422,129
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	130,897,070	129,508,601
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)	70,585,160	72,639,965
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)	60,252,685	61,258,997
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	130,837,845	133,898,962
19	Revenue less expenses Subtract line 18 from line 12	59,225	-4,390,361

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	122,634,410	129,920,217
21	Total liabilities (Part X, line 26)	157,297,042	159,955,862
22	Net assets or fund balances Subtract line 21 from line 20	-34,662,632	-30,035,645

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

****** | 2013-08-08
Signature of officer | Date

PATRICK S CHARMEL CEO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ BETH THURZ | Date | Check if self-employed ▶☐ | Preparer's taxpayer identification number (see instructions) P00346435

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ SASLOW LUFKIN & BUGGY LLP
TEN TOWER LANE
AVON, CT 06001

EIN ▶ 06-1533253

Phone no ▶ (860) 678-9200

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

GRIFFIN HOSPITAL IS COMMITTED TO PROVIDING PERSONALIZED, HUMANISTIC, CONSUMER-DRIVEN HEALTH CARE IN A HEALING ENVIRONMENT, TO EMPOWERING INDIVIDUALS TO BE ACTIVELY INVOLVED IN DECISIONS AFFECTING THEIR CARE AND WELL-BEING THROUGH ACCESS TO INFORMATION AND EDUCATION, AND TO PROVIDING LEADERSHIP TO IMPROVE THE HEALTH OF THE COMMUNITY WE SERVE

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

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

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 116,126,636 including grants of $) (Revenue $ 109,680,301)

GRIFFIN HOSPITAL IS AN ACUTE CARE HOSPITAL PROVIDING MEDICAL CARE TO PATIENTS IN COMMUNITIES SERVED, INCLUDING SUBSIDIZED CARE, CHARITY CARE, AND EDUCATIONAL SERVICES TO HEALTH PROFESSIONALS TO HELP PREPARE THE NEXT GENERATION OF CAREGIVERS

4b (Code) (Expenses $ 3,754,826 including grants of $) (Revenue $ 8,911,560)

PROVIDE CANCER RELATED RADIOLOGY SERVICES TO THE COMMUNITY

4c (Code) (Expenses $ 2,018,059 including grants of $) (Revenue $ 2,791,088)

PROVIDE PSYCHIATRIC SERVICES TO THE COMMUNITY ON AN OUTPATIENT BASIS

(Code) (Expenses $ 483,799 including grants of $) (Revenue $ 1,340,938)

PROVIDE HOSPICE SERVICES TO THE COMMUNITY

4d Other program services (Describe in Schedule O)

(Expenses $ 483,799 including grants of $) (Revenue $ 1,340,938)

4e **Total program service expenses** ▶ $ 122,383,320

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b	Yes	
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c	Yes	
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	183		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	**2a**	1,531			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?			**4a**		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	22		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	18		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	3			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5			No
6	Did the organization have members or stockholders?	6		Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			No

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

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

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☑ Upon request

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

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

JAMES DOWNEY
130 DIVISION STREET
DERBY, CT 06418
(203) 732-7528

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (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			
See Additional Data Table										
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								3,183,900	274,324	594,987

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 ▶ 76

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
UNIDINE CORPORATION 75 REMITTANCE DRIVE CHICAGO, IL 60675	FOOD SERVICE	1,478,271
F & F MECHANICAL ENTERPRISES 2 DWIGHT STREET NORTH HAVEN, CT 06473	CONSTRUCTION	418,396
CONNECTICUT EMERGENCY MEDICINE SPECIALIS PO BOX 271618 WEST HARTFORD, CT 06127	E R PHYSICIAN SERVICES	411,762
CARDIOLOGY ASSOC OF DERBY 130 DIVISION STREET DERBY, CT 06418	PHYSICIAN SERVICES	399,621
NEW MILFORD LAUNDRY 47 COMMONS COURT WATERBURY, CT 06704	LAUNDRY SERVICE	384,115

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 ▶ 20

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	1,908,138			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	326,764			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		2,234,902			
Program Service Revenue			Business Code				
	2a	PATIENT REVENUE	621500	121,066,315	117,402,632	3,663,683	
	b	OTHER PROGRAM SERVICES	621500	5,321,255	5,321,255		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		126,387,570			
	3	Investment income (including dividends, interest and other similar amounts)		351,715			351,715
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real	(ii) Personal			
	6a	Gross rents	422,129				
	b	Less rental expenses	0				
	c	Rental income or (loss)	422,129				
	d	Net rental income or (loss)		422,129			422,129
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	112,285				
	b	Less cost or other basis and sales expenses	0				
	c	Gain or (loss)	112,285				
	d	Net gain or (loss)		112,285			112,285
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events					
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory					
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d					
	12	**Total revenue.** See Instructions		129,508,601	122,723,887	3,663,683	886,129

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	3,183,757	2,101,280	1,082,477	
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	49,478,334	44,530,501	4,947,833	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	5,288,072	4,759,265	528,807	
9	Other employee benefits	10,586,624	9,527,962	1,058,662	
10	Payroll taxes	4,103,178	3,692,860	410,318	
11	Fees for services (non-employees)				
a	Management	6,491,127	5,842,014	649,113	
b	Legal	237,404		237,404	
c	Accounting	255,252		255,252	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees				
g	Other	10,081,414	9,073,273	1,008,141	
12	Advertising and promotion	478,606	478,606		
13	Office expenses	358,359	322,523	35,836	
14	Information technology	427,133	427,133		
15	Royalties . .				
16	Occupancy	313,890	313,890		
17	Travel	348,787	348,787		
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	5,233,260	5,233,260		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	5,913,219	5,913,219		
23	Insurance	945,756	851,180	94,576	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	MEDICAL & DRUG SUPPLIES	15,930,763	15,930,763		
b	RESEARCH GRANT EXPENSES	2,259,698	2,033,728	225,970	
c	FOOD	1,186,176	1,186,176		
d	BAD DEBT	985,616	985,616		
e					
f	All other expenses	9,812,537	8,831,284	981,253	
25	**Total functional expenses.** Add lines 1 through 24f	133,898,962	122,383,320	11,515,642	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		5,513,612	1	8,071,213
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		17,025,431	4	12,754,987
	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)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		794,648	8	852,072
	9	Prepaid expenses and deferred charges		1,810,064	9	2,258,893
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 148,245,027			
	b	Less accumulated depreciation	10b 88,278,309	62,082,187	10c	59,966,718
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11		8,656,773	12	6,519,819
	13	Investments—program-related See Part IV, line 11		14,181,684	13	15,213,004
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		12,570,011	15	24,283,511
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		122,634,410	16	129,920,217
Liabilities	17	Accounts payable and accrued expenses		26,635,850	17	28,300,556
	18	Grants payable			18	
	19	Deferred revenue		33,048	19	40,179
	20	Tax-exempt bond liabilities		53,037,112	20	51,432,599
	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			23	
	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		77,591,032	25	80,182,528
	26	**Total liabilities.** Add lines 17 through 25		157,297,042	26	159,955,862
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		-42,070,163	27	-38,049,002
	28	Temporarily restricted net assets		1,880,150	28	2,203,003
	29	Permanently restricted net assets		5,527,381	29	5,810,354
		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		-34,662,632	33	-30,035,645
	34	Total liabilities and net assets/fund balances		122,634,410	34	129,920,217

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	129,508,601
2	Total expenses (must equal Part IX, column (A), line 25)	2	133,898,962
3	Revenue less expenses Subtract line 2 from line 1	3	-4,390,361
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	-34,662,632
5	Other changes in net assets or fund balances (explain in Schedule O)	5	9,017,348
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	-30,035,645

Part XII Financial Statements and Reporting

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

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

Additional Data

Software ID:
Software Version:
EIN: 06-0647014
Name: GRIFFIN HOSPITAL

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services

(Code) (Expenses $ 483,799 including grants of $) (Revenue $ 1,340,938)
PROVIDE HOSPICE SERVICES TO THE COMMUNITY

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
HENDRICKS DAVID MD/BOARD MEMBER	1 00	X						0	0	0
CHARMEL PATRICK PRESIDENT/CEO	40 00	X		X				413,379	0	58,191
BORIS GREGORY MD/BOARD MEMBER	1 00	X						0	0	0
DOBULER KENNETH MD/BOARD MEMBER	14 00	X						226,511	0	47,152
SCHWARTZ KENNETH MD/BOARD MEMBER	16 00	X						190,532	0	67,325
STUMPO BARBARA J V P /BOARD MEMBER	40 00	X		X				169,709	0	40,922
ANDREANA JOSEPH TRUSTEE	1 00	X						0	0	0
BALDYGA KENNETH TRUSTEE	1 00	X						0	0	0
BETKOSKI JOHN W III CHAIRMAN	1 00	X		X				0	0	0
DINARDO NANCY TRUSTEE	1 00	X						0	0	0
FOX ROBERT A TRUSTEE	1 00	X						0	0	0
JONES JEAN CRUM TRUSTEE	1 00	X						0	0	0
KLARIDES THEMIS TRUSTEE	1 00	X						0	0	0
LOGAN GEORGE S TRUSTEE	1 00	X						0	0	0
OSAK FRANK M TRUSTEE	1 00	X						0	0	0
MEZZO ROBERT TRUSTEE	1 00	X						0	0	0
REISS ROBERT G TRUSTEE	1 00	X						0	0	0
WEINER GERALD T TRUSTEE	1 00	X						0	0	0
ZAPRZALKA JOHN J TRUSTEE	1 00	X						0	0	0
SACZYNSKI SHELLY TRUSTEE	1 00	X						0	0	0
BINGAMAN LARRY TRUSTEE	1 00	X						0	0	0
PEARSON WM NEIL MD/TRUSTEE	1 00	X						0	0	0
MOYLAN JAMES J VICE PRESIDENT/CFO	40 00			X				249,920	0	39,027
POWANDA WILLIAM VICE PRESIDENT	40 00			X				181,708	0	48,142
BERNS EDWARD VICE PRESIDENT	40 00			X				152,735	0	36,514

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
MARTIN KATHLEEN VICE PRESIDENT	40 00			X				149,614	0	37,662
DEEGAN MARGARET VICE PRESIDENT	40 00			X				204,758	0	31,516
SHEPARD SETH VICE PRESIDENT	40 00			X				183,468	0	21,483
FRAMPTON SUSAN PRESIDENT/PLANETREE	40 00			X				0	274,324	28,232
D'SOUSA SEEMA MD	30 00					X		179,424	0	21,635
HALSTEAD EDWARD MD	40 00					X		199,780	0	68,082
NAWAZ HAQ MD	40 00					X		240,796	0	27,500
SALABARRIA JAVIER MD	40 00					X		266,555	0	21,604
HURIBAL MARSEL MD	40 00					X		175,011	0	0

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
GRIFFIN HOSPITAL

Employer identification number
06-0647014

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

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

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

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

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

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

_____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II **Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

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

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f)) **14**

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

16a **33 1/3% support test—2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

b **33 1/3% support test—2010.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

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

Facts And Circumstances Test

Explanation

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ **Complete if the organization is described below.**

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

OMB No 1545-0047

2011

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
GRIFFIN HOSPITAL	06-0647014

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

1 Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		11,700
j	Total lines 1c through 1i			11,700
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
EXPLANATION OF LOBBYING ACTIVITIES	PART II-B, LINE 1	THE GRIFFIN HOSPITAL PAID FOR MEMBERSHIP DUES TO THE CONNECTICUT HOSPITAL ASSOCIATION FOR THE FISCAL YEAR ENDED 9/30/2012 $11,699 62 OF THE MEMBERSHIP DUES PAID WAS USED FOR LOBBYING ON ISSUES RELEVANT TO THE ORGANIZATION'S EXEMPT PURPOSE

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
GRIFFIN HOSPITAL

Employer identification number
06-0647014

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance	2,932,333	2,953,261	2,773,278	2,677,652	
b Contributions					
c Investment earnings or losses	322,207	-1,478	124,305	97,031	
d Grants or scholarships					
e Other expenditures for facilities and programs	5,000	19,450	1,337	1,405	
f Administrative expenses					
g End of year balance	3,249,540	2,932,333	2,896,246	2,773,278	

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶ 66 500 %
- c Term endowment ▶ 33 500 %

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,015,091		4,015,091
b Buildings		72,926,054	34,898,661	38,027,393
c Leasehold improvements				
d Equipment		70,963,696	53,127,705	17,835,991
e Other		340,186	251,943	88,243
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				59,966,718

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) FIXED INCOME SECURITIES	3,611,174	F
(B) MARKETABLE EQUITY SECURITIES	2,908,645	F
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	6,519,819	

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) LIMITED USE ASSETS - CURRENT	700,398	F
(2) BOARD DESIGNATED INVESTMENTS	10,001	F
(3) BENEFICIAL INTEREST IN TRUSTS	3,650,093	F
(4) UNDER INDENTURE AGREEMENT	4,288,627	F
(5) INVESTMENTS OF NET ASSETS OF AFFILIATES	6,563,885	C
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶	15,213,004	

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

(a) Description	(b) Book value
(1) OTHER RECEIVABLES	2,405,920
(2) DUE FROM AFFILIATES	7,998,375
(3) OTHER ASSETS & INSURANCE RECOVERABLE	12,635,039
(4) THIRD PARTY	1,203,411
(5) DEFERRED REVENUE	40,766
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	24,283,511

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
See Additional Data Table	
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	80,182,528

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

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	129,508,601
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	133,898,962
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-4,390,361
4	Net unrealized gains (losses) on investments	4	534,665
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	8,482,683
9	Total adjustments (net) Add lines 4 - 8	9	9,017,348
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	4,626,987

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	130,043,266
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	534,665		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	534,665
3	Subtract line **2e** from line **1**			3	129,508,601
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			
c	Add lines **4a** and **4b**			4c	0
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	129,508,601

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

1	Total expenses and losses per audited financial statements			1	133,898,962
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	133,898,962
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			
c	Add lines **4a** and **4b**			4c	0
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	133,898,962

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	THE HOSPITAL'S ENDOWMENT FUNDS CONSIST OF DONOR RESTRICTED FUNDS TO BE INVESTED IN PERPETUITY TO PROVIDE A PERMANENT SOURCE OF INCOME
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	THERE IS NO FIN 48 (ASC 740) FOOTNOTE IN THE GRIFFIN HOSPITAL AUDITED FINANCIAL STATEMENTS
PART XI, LINE 8 - OTHER ADJUSTMENTS		TRANSFERS BETWEEN AFFILIATES -2,731,233 MINIMUM PENSION LIABILITY ADJUSTMENT 10,040,391 CHANGE IN NET ASSETS OF AFFILIATE 567,699 CHANGE IN TEMPORARILY RESTRICTED NET ASSETS 322,853 CHANGE IN BENEFICIAL INTEREST IN TRUSTS 282,973 TOTAL TO SCHEDULE D, PART XI, LINE 8 8,482,683

Additional Data

Software ID:
Software Version:
EIN: 06-0647014
Name: GRIFFIN HOSPITAL

Form 990, Schedule D, Part X, - Other Liabilities

1 **(a)** Description of Liability	**(b)** Amount
ACCRUED POST RETIREMENT - CURRENT	435,000
ACCRUED POST RETIREMENT - NONCURRENT	8,484,801
PROFESSIONAL AND GENERAL LIABILITY	876,637
MINIMUM PENSION LIABILITY	42,429,930
WORKERS COMPENSATION - LONG TERM	2,108,091
ACCRUED INTEREST PAYABLE	347,111
OTHER LIABILITIES	22,138,767
RETIREMENT OBLIGATION	119,709
CAPITAL LEASE - NET OF CURRENT	1,299,057
L T - CURRENT PORTION	1,943,425

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
GRIFFIN HOSPITAL

Employer identification number
06-0647014

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☐ 150% ☐ 200% ☑ Other 250.000000000000 %	3a	Yes	
b	Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☑ 400% ☐ Other ____ %	3b	Yes	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit reportduring the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)		275	2,150,116	0	2,150,116	1 610 %
b Medicaid (from Worksheet 3, column a)		10,197	10,577,781	7,060,403	3,517,378	2 630 %
c Costs of other means-tested government programs (from Worksheet 3, column b)		145	310,135	241,706	68,429	0 050 %
d **Total** Charity Care and Means-Tested Government Programs		10,617	13,038,032	7,302,109	5,735,923	4 290 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)		46,175	896,911	6,830	890,081	0 660 %
f Health professions education (from Worksheet 5)		140	5,850,061	4,797,952	1,052,109	0 790 %
g Subsidized health services (from Worksheet 6)		42,141	21,661,980	20,149,686	1,512,294	1 130 %
h Research (from Worksheet 7)			1,183,995	0	1,183,995	0 880 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)		2,133	38,051	0	38,051	0 030 %
j **Total** Other Benefits		90,589	29,630,998	24,954,468	4,676,530	3 490 %
k **Total.** Add lines 7d and 7j		101,206	42,669,030	32,256,577	10,412,453	7 780 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy		2,878	34,180		34,180	0 030 %
8 Workforce development						
9 Other						
10 **Total**		2,878	34,180		34,180	0 030 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense	2	312,439		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care 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	41,800,233
6	Enter Medicare allowable costs of care relating to payments on line 5	6	49,286,120
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-7,485,887
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☑ Cost accounting system ☐ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest)

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

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	GRIFFIN HOSPITAL 130 DIVISION STREET DERBY,CT 06418	X	X		X	X	X	X	X	

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

GRIFFIN HOSPITAL

Name of Hospital Facility: GRIFFIN HOSPITAL

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		No
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 250.000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 400 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☑ Income level			
	b ☑ Asset level			
	c ☑ Medical indigency			
	d ☑ Insurance status			
	e ☑ Uninsured discount			
	f ☑ Medicaid/Medicare			
	g ☑ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☑ The policy was posted at all times on the hospital facility's web site			
	b ☑ The policy was attached to all billing invoices			
	c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☑ The policy was posted in the hospital facility's admissions offices			
	e ☑ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☐ Other (describe in Part VI)			

Billing and Collections

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

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

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

Part V Facility Information *(continued)*

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

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

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

Part VI Supplemental Information

Complete this part to provide the following information

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

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

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

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

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

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

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

Identifier	ReturnReference	Explanation
		PART I, LINE 3C N/A

Identifier	ReturnReference	Explanation
		PART II THE DEPARTMENT OF COMMUNITY OUTREACH AND PARISH NURSING HAS PROMOTED THE HEALTH OF THE COMMUNITIES IT SERVES THROUGH ITS COMMUNITY BUILDING ACTIVITIES GRIFFIN HOSPITAL SPONSORS AND PROVIDES OPERATIONAL LEADERSHIP FOR THE VALLEY PARISH NURSE PROGRAM THROUGH COMMUNITY HEALTH IMPROVEMENT ADVOCACY THE DEPT OF COMMUNITY OUTREACH HAS MADE A SUBSTANTIAL IMPACT ON THE GREATER NAUGATUCK VALLEY COMMUNITY HEALTH IMPROVEMENT ADVOCACY ACTIVITIES COLLABORATE WITH THE COMMUNITY ON VARIOUS OUTREACH NEEDS SOME EXAMPLES OF THE GROUPS AND BOARDS THAT ARE INVOLVED ARE BOYS & GIRLS CLUB BOARD, CT COUNCIL OF PARISH NURSE COORDINATORS, VALLEY COUNCIL FOR HEALTH & HUMAN SERVICES, WOMEN MAKING A DIFFERENCE, VITALS, VALLEY UNITED WAY, KOMEN FOUNDATION GRANT EXPLORATION, ANSONIA COMMUNITY ACTION ADVISORY BOARD, BIRTH TO 9, CT HOSPITAL ASSOCIATION, VNA ANNUAL MEETING , NEW HAVEN BUSINESS ASSOCIATION, SPOONER HOUSE FOOD DRIVE, VALLEY SUBSTANCE ABUSE ACTION COUNCIL, AMERICAN HEART ASSOCIATION, ECC/CPR BOARD, COMMUNITY FOUNDATION FOR GREATER NEW HAVEN, CT HOSPITAL ASSOCIATION AND SUB COMMITTEE

Identifier	ReturnReference	Explanation
		PART III, LINE 4 GRIFFIN HOSPITAL'S AUDITED FINANCIAL STATEMENTS DO NOT HAVE A FOOTNOTE THAT DESCRIBES BAD DEBT EXPENSE BAD DEBT EXPENSE IS REPORTED ON LINE 2 PER GRIFFIN HOSPITAL'S AUDITED FINANCIAL STATEMENTS, NET OF ANY BAD DEBT RECOVERY, MULTIPLIED BY THE COST TO CHARGE RATIO GRIFFIN HOSPITAL REQUIRES OUR COLLECTION AGENCIES TO FOLLOW THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY, THEREFORE THE HOSPITAL DID NOT ATTRIBUTE ANY BAD DEBT EXPENSE TO PATIENTS ELIGIBLE FOR FINANCIAL ASSISTANCE

Identifier	ReturnReference	Explanation
		PART III, LINE 8 GRIFFIN HOSPITAL BELIEVES THAT ALL OF THE $7 486 MILLION SHORTFALL SHOULD BE CONSIDERED AS COMMUNITY BENEFIT THE IRS COMMUNITY BENEFIT STANDARD INCLUDES THE PROVISION OF CARE TO THE ELDERLY AND MEDICARE PATIENTS MEDICARE SHORTFALLS MUST BE ABSORBED BY THE HOSPITAL IN ORDER TO CONTINUE TREATING THE ELDERLY IN OUR COMMUNITY THIS YEAR, MEDICARE ACCOUNTED FOR 5 9% OF HOSPITAL EXPENSES THE HOSPITAL PROVIDES CARE REGARDLESS OF THIS SHORTFALL AND THEREBY RELIEVES THE FEDERAL GOVERNMENT OF THE BURDEN OF PAYING THE FULL COST FOR MEDICARE BENEFICIARIES

Identifier	ReturnReference	Explanation
		PART III, LINE 9B GRIFFIN HOSPITAL HAS A WRITTEN POLICY ABOUT WHEN AND UNDER WHOSE AUTHORITY PATIENT DEBT IS ADVANCED FOR COLLECTION AND SHALL USE ITS BEST EFFORTS TO ENSURE THE PATIENT ACCOUNTS ARE PROCESSED FAIRLY AND CONSISTENTLY GRIFFIN HOSPITAL WILL ENSURE THAT PRACTICES TO BE USED BY THEIR OUTSIDE (NON HOSPITAL) COLLECTION AGENCIES WILL CONFORM TO THE STANDARDS SET FORTH IN THIS POLICY AND SHALL OBTAIN WRITTEN COMMITMENTS FROM SUCH AGENCIES AT TIME OF BILLING GRIFFIN HOSPITAL WILL PROVIDE TO ALL LOW-INCOME UNINSURED PATIENTS THE SAME INFORMATION CONCERNING SERVICES AND CHARGES PROVIDED TO ALL OTHER PATIENTS WHO RECEIVE CARE AT THE HOSPITAL FOR PATIENTS WHO HAVE AN APPLICATION PENDING DETERMINATION FOR EITHER GOVERNMENT SPONSORED COVERAGE OR FOR THE HOSPITAL'S OWN FINANCIAL ASSISTANCE PROGRAM GRIFFIN HOSPITAL WILL NOT KNOWINGLY SEND THAT PATIENT'S BILL TO A COLLECTION AGENCY

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 THE GRIFFIN HOSPITAL IS CURRENTLY DEVELOPING AN ACTION PLAN TO ADDRESS IDENTIFIED NEEDS, WHICH WILL BE COMPLETED, FILED AND PUBLISHED ON THE GRIFFIN HOSPITAL WEB SITE GRIFFIN HOSPITAL ASSESSES THE HEALTH CARE NEEDS OF THE COMMUNITIES IT SERVES IN A VARIETY OF WAYS THE HOSPITAL USES RESOURCES THAT ARE CONNECTED AND AFFILIATED WITH THE HOSPITAL OR THE COMMUNITY IT SERVES EXAMPLES OF THESE ARE COMMUNITY HEALTH PROFILE DONE BY THE YALE-GRIFFIN PRC AT LEAST BI-ANNUALLY THAT TRACKS MORTALITY AND OTHER DATA BY DISEASE, WHICH PROMPTED LAUNCHING OF THE HIM PROJECT TO ADDRESS MALE PROSTATE AND COLON CANCER RATES VALLEY COUNCIL'S QUALITY OF LIFE REPORT PUBLISHED LAST YEAR FOR THE FIRST TIME (WWW VALLEYCOUNCIL ORG) THE INITIATIVE OF THE VALLEY COUNCIL IS DESIGNED TO TRACK KEY INDICATORS OF QUALITY OF LIFE IN THE VALLEY OVER TIME OUR GOAL IS TO SEE WHAT ASPECTS OF COMMUNITY LIFE HAVE GOTTEN BETTER OVER TIME AND WHAT AREAS MAY NEED IMPROVEMENT PRODUCTION OF THE VALLEY CARES REPORT WAS MADE POSSIBLE BY GENEROUS GRANTS FROM THE COMMUNITY FOUNDATION FOR GREATER NEW HAVEN, THE VALLEY COMMUNITY FOUNDATION, THE VALLEY UNITED WAY, AND THE KATHARINE MATTHIES FOUNDATION ADDITIONAL SUPPORT PROVIDED BY YALE-GRIFFIN PREVENTION RESEARCH CENTER, NAUGATUCK VALLEY HEALTH DISTRICT, GRIFFIN HOSPITAL, BIRMINGHAM GROUP HEALTH SERVICES, INC , THE WORKPLACE, INC AND THE MEMBER AGENCIES OF THE VALLEY COUNCIL CLARITAS - DEMOGRAPHIC PROFILE OF THE HOSPITAL'S PRIMARY SERVICE AREA COMMUNITY PERCEPTION TELEPHONE SURVEY DONE EVERY TWO OR THREE YEARS OF 400 PRIMARY SERVICE AREA RESIDENTS VALLEY COUNCIL OF HEALTH AND HUMAN SERVICE ORGANIZATIONS WHICH IS A COOPERATIVE VENTURE LINKING APPROXIMATELY 50 NON-PROFIT HEALTH & HUMAN SERVICE PROVIDERS THROUGHOUT THE VALLEY ITS MISSION IS TO IDENTIFY, PLAN, IMPLEMENT, AND COORDINATE A COMPREHENSIVE SYSTEM OF HUMAN SERVICE DELIVERY AND TO ADVOCATE FOR COMMUNITY-WIDE AND CULTURALLY DIVERSE PLANNING APPROACHES IN THE LARGER VALLEY COMMUNITY STRATEGIC PLAN - GREATER VALLEY CHAMBER OF COMMERCE'S HEALTHCARE COUNCIL THE HEALTHCARE COUNCIL WAS CREATED BASED ON THE PREMISE THAT HEALTH AND WELLNESS ARE INCREASINGLY IMPORTANT ISSUES TO AREA BUSINESSES FROM PROVIDING INSIGHTS INTO CHRONIC DISEASES TO THE EFFECTS POOR HEALTH HAS ON PRODUCTIVITY AND EMPLOYEE ATTENDANCE, THE COUNCIL IS AN EDUCATIONAL RESOURCE ON HEALTH AND WELLNESS FOR BUSINESSES THROUGHOUT THE GREATER VALLEY REGION VALLEY UNITED WAY SENIOR NEEDS ASSESSMENT - 2007, VALLEY NEEDS AND OPPORTUNITIES PROJECT - REPORT ON PROGRESS, MOUNT AUBURN ASSOCIATES - 2005, YALE-GRIFFIN PREVENTION RESEARCH CENTER CORPORATE SOCIAL RESPONSIBILITY SECTION OF THE FORTUNE APPLICATION Q 16 GRIFFIN HOSPITAL'S SCHOOL-BASED CHILDHOOD AND ADOLESCENT OBESITY PREVENTION PROJECT, OUR DEPARTMENT OF COMMUNITY OUTREACH AND PARISH NURSING WHICH FOCUSES ON THE UNDERSERVED POPULATIONS THE PARISH NURSE PROGRAM ITSELF

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 GRIFFIN HOSPITAL SHALL COMMUNICATE TO THE PUBLIC THROUGH APPROPRIATE MEANS REGARDING THE AVAILABILITY OF FINANCIAL ASSISTANCE TO LOW-INCOME UNINSURED PATIENTS NOTICES ARE POSTED IN VISIBLE LOCATIONS THROUGHOUT THE HOSPITAL SUCH AS ADMITTING, REGISTRATION, BILLING OFFICE, EMERGENCY DEPARTMENT AND OTHER OUTPATIENT SETTINGS EVERY POSTED NOTICE REGARDING FINANCIAL ASSISTANCE POLICIES SHALL CONTAIN BRIEF INSTRUCTIONS ON HOW TO APPLY FOR FINANCIAL ASSISTANCE OR A DISCOUNTED PAYMENT THE NOTICES WILL INCLUDE A CONTACT TELEPHONE NUMBER THAT A PATIENT OR FAMILY MEMBER CAN CALL TO OBTAIN MORE INFORMATION GRIFFIN HOSPITAL SHALL ENSURE THAT APPROPRIATE STAFF MEMBERS ARE KNOWLEDGEABLE ABOUT THE EXISTENCE OF THE HOSPITAL'S FINANCIAL ASSISTANCE POLICIES TRAINING WILL BE PROVIDED TO STAFF MEMBERS WHO DIRECTLY INTERACT WITH PATIENTS REGARDING THEIR HOSPITAL BILLS WHEN COMMUNICATING TO PATIENTS REGARDING THEIR FINANCIAL ASSISTANCE POLICIES GRIFFIN HOSPITAL SHALL ATTEMPT TO DO SO IN THE PRIMARY LANGUAGE OF THE PATIENT OR HIS /HER FAMILY, IF REASONABLY POSSIBLE, AND IN A MANNER CONSISTENT WITH ALL APPLICABLE FEDERAL AND STATE LAWS AND REGULATIONS GRIFFIN HOSPITAL SHALL SHARE ITS FINANCIAL ASSISTANCE POLICIES WITH APPROPRIATE COMMUNITY HEALTH AND HUMAN SERVICES AGENCIES AND OTHER ORGANIZATIONS THAT ASSIST SUCH PATIENTS

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 THE COMBINED POPULATION OF GRIFFIN'S SIX TOWN PRIMARY SERVICE AREA (THE VALLEY) IS 107,269 THE SIX SUBURBAN TOWNS THAT MAKE UP THE HOSPITAL'S PRIMARY SERVICE AREA ARE ANSONIA - POPULATION 19,219, SIZE 6 2 SQ MILES, BEACON FALLS - POPULATION 6,038, SIZE 9 9 SQ MILES, DERBY - POPULATION 12,882, SIZE 5 4 SQ MILES, OXFORD - POPULATION 12,662, SIZE 33 SQ MILES, SEYMOUR - POPULATION 16,514, 15 SQ MILES, SHELTON - POPULATION 39,954, SIZE 32 SQ MILES THE COMBINED SIZE OF THE SIX TOWN VALLEY REGIONS IS 101 5 SQUARE MILES THE VALLEY, GEOGRAPHICALLY LOCATED IN SOUTH CENTRAL CONNECTICUT, IS SURROUNDED BY THREE OF THE STATE'S LARGEST CITIES, NEW HAVEN, TO THE SOUTH, BRIDGEPORT, TO THE SOUTHWEST, AND WATERBURY TO THE NORTH EACH ABOUT 15 MILES FROM GRIFFIN HOSPITAL THERE ARE TWO TERTIARY CARE HOSPITALS IN EACH OF THE CITIES AND EACH HAS VARYING DEGREES OF MARKET SHARE IN GRIFFIN'S PRIMARY SERVICE AREA TOWNS DEPENDING ON THE PROXIMITY TO THE THREE CITIES AND THE HOSPITALS LOCATED THERE THE VALLEY'S POPULATION IS PRIMARILY WHITE AT 91 1% THE BLACK OR AFRICAN AMERICAN POPULATION IS 2 9% AND THE ASIAN POPULATION IS 2 3% THE HISPANIC OR LATINO POPULATION IS 5 9% THE AGE 65 AND OVER POPULATION IS 14% COMPARED TO THE STATE OF CONNECTICUT ALSO AT 14% IN 2010 ENGLISH IS THE PRIMARY LANGUAGE SPOKEN IN 86% OF HOMES THE ESTIMATED AVERAGE FAMILY HOUSEHOLD INCOME FOR VALLEY RESIDENTS IS $95,592 AND THE MEDIAN FAMILY HOUSEHOLD INCOME IS $83,335 IT IS ESTIMATED THAT 1,149 FAMILIES (3 9%) OF VALLEY FAMILIES HAVE INCOMES BELOW THE POVERTY LEVEL GRIFFIN HOSPITAL IS A NON-PROFIT, 160 BED, 20 BASSINETTE ACUTE CARE HOSPITAL WITH 6,904 DISCHARGES AND 196,386 OUTPATIENT VISITS IN FISCAL YEAR 2012 WITH 1,325 FULL TIME, PART TIME AND PER DIEM EMPLOYEES IT IS THE VALLEY'S LARGEST EMPLOYER WITH EMPLOYEE COMPENSATION AND BENEFITS LAST YEAR TOTALING $72 6 MILLION, SIXTY-ONE PERCENT OF GRIFFIN'S EXPENSE BUDGET OF $120 MILLION OVER $46 MILLION IS SPENT ON SUPPLIES AND SERVICES MUCH OF WHICH IS TO AREA VENDORS WITH 70% OF THE HOSPITAL'S EMPLOYEES RESIDING IN THE HOSPITAL PRIMARY SERVICE AREA, GRIFFIN HOSPITAL IS AN ECONOMIC ENGINE FOR THE COMMUNITY IT SERVES

Identifier	ReturnReference	Explanation
		PART VI, LINE 5 GRIFFIN HOSPITAL IS AN ACUTE CARE HOSPITAL PROVIDING INPATIENT AND OUTPAT IENT MEDICAL CARE AND RELATED SERVICES FOR OBSTETRICS, SURGERY AND ACUTE MEDICAL CONDITION S OR INJURIES USUALLY FOR A SHORT DURATION GRIFFIN PROVIDES PSYCHIATRIC AND MENTAL HEALTH SERVICES INCLUDING AN INPATIENT UNIT GRIFFIN OFFERS A NUMBER OF INNOVATIVE PROGRAMS DESI GNED TO PROVIDE ENHANCED COMMUNITY ACCESS TO A BROAD RANGE OF SERVICES AND MEET COMMUNITY NEEDS THESE INCLUDE A WOUND TREATMENT CENTER, INTEGRATIVE MEDICINE CENTER, MULTIPLE SCLE ROSIS CENTER, PAIN AND HEADACHE TREATMENT CENTER, SLEEP WELLNESS CENTER, JOINT REPLACEMENT CENTER, OCCUPATIONAL MEDICINE CENTER, INPATIENT HOSPICE SERVICE, CENTER FOR CANCER CARE W ITH RADIATION THERAPY SERVICE, CENTER FOR BREAST WELLNESS, BARIATRICS SERVICE, MEDI-WEIGHT LOSS SERVICE, GRIFFIN RETAIL PHARMACY, CHEMICAL DEPENDENCY AND ADDICTION SERVICE, ENHANCE D EXTERNAL COUNTER PULSATION SERVICE, ANTI-COAGULATION SERVICE AND AN INFUSION CENTER CON SISTENT WITH GRIFFIN HOSPITAL'S MISSION TO IMPROVE THE HEALTH OF THE COMMUNITY IT SERVES, THE DEPARTMENT OF COMMUNITY OUTREACH AND VALLEY PARISH NURSE (VPN) PROGRAM CONTINUED TO EX TEND THE HOSPITAL'S REACH WELL BEYOND ITS WALLS IN 2012 ACCOUNTING FOR MORE THAN 50,000 C OMMUNITY CONTACTS IN 2012, THIS OUTREACH INCLUDED EVERYTHING FROM FITTING BIKE HELMETS TO TRAINING ADULTS AND CHILDREN IN CPR TO PROVIDING HEALTH EDUCATION AND SCREENINGS AT SENIOR CENTERS, SHOPPING CENTERS, NEIGHBORHOODS, COMPANIES, AND COMMUNITY EVENTS AND HEALTH FAIR S THESE COMMUNITY CONTACTS INCLUDED MORE THAN 8,300 HEALTH SCREENINGS - WHICH CAN HELP ID ENTIFY PROBLEMS WHEN THEY ARE MOST TREATABLE - AND NEARLY 22,000 REFERRALS FOR FOLLOW UP C ARE (SOME OF GRIFFIN HOSPITAL'S COMMUNITY BENEFIT ACTIVITIES ARE SUMMARIZED ON THE OUTREA CH AND SCREENING STATISTICS PAGE OF THIS REPORT) AS PART OF THE HOSPITAL'S COMMITMENT TO PROMOTING COMMUNITY HEALTH AND WELLNESS WHILE CLOSING RACIAL, ETHNIC, GENDER, AND SOCIOECO NOMIC GAPS IN HEALTH STATUS, GRIFFIN CONTINUED ITS COLLABORATION WITH COMMUNITY PARTNERS O N INITIATIVES SUCH AS THE VALLEY INITIATIVE TO ADVANCE HEALTH & LEARNING IN SCHOOLS AND TH E HEALTH INITIATIVE FOR MEN THE VALLEY INITIATIVE TO ADVANCE HEALTH & LEARNING IN SCHOOLS (VITAHLS), WHICH GRIFFIN LAUNCHED IN PARTNERSHIP WITH VALLEY SCHOOL DISTRICTS AND THE YALE -GRIFFIN PREVENTION RESEARCH CENTER (PRC) IN 2011 CONTINUED ITS EFFORTS TO REDUCE OBESITY AND PROMOTE HEALTH AND ACADEMIC READINESS IN STUDENTS THE SCHOOL-BASED PROGRAM, WHICH HAS INTRODUCED A VARIETY OF NUTRITION AND PHYSICAL ACTIVITY PROGRAMS TO REDUCE OBESITY AND PR OMOTE HEALTH AND ACADEMIC READINESS IN STUDENTS IN PRE-K TO GRADE 12, KICKED OFF ITS SECON D YEAR BY HOSTING A FAMILY FUN DAY ON SUNDAY, OCTOBER 21 AT EMMETT O'BRIEN TECHNICAL HIGH SCHOOL IN ANSONIA THE FREE EVENT FEATURED A FESTIVAL FEEL WITH MANY BOOTHS FEATURING GAME S, NUTRITIONAL AND FITNESS ACTIVITIES, FREE HEALTHY SNACKS AND A FARMER'S MARKET OTHER NOT ABLE VITAHLS ACTIVITIES INCLUDED THE INTRODUCTION OF THE NUVAL NUTRITIONAL SCORING SYSTEM BY DERBY MIDDLE SCHOOL AND DERBY HIGH SCHOOL BOTH SCHOOLS' CAFETERIAS AND VENDING MACHINE S NOW FEATURE FOOD LABELED WITH A "NUVAL SCORE " A NUMBER BETWEEN 1-100 THAT DETERMINES TH E NUTRITIONAL VALUE OF THE FOOD (THE HIGHER THE SCORE, THE BETTER THE OVERALL NUTRITION) NUVAL SCORES CAN NOW BE FOUND ON A LA CARTE ITEMS IN THE CAFETERIAS AND ON FOOD IN ALL VEN DING MACHINES, ENCOURAGING STUDENTS TO MAKE MORE INFORMED, AND HEALTHIER, FOOD CHOICES AS PART OF THE HEALTH INITIATIVE FOR MEN (HIM), THE HOSPITAL ONCE AGAIN TEAMED WITH LOCAL SCH OOLS TO DISTRIBUTE FATHER'S DAY CARDS TO STUDENT'S DADS ENCOURAGING THEM TO "GET TO THE DO CTOR" FOR THEIR ANNUAL CHECK-UPS MORE THAN 20,000 OF THESE FREE CARDS, WHICH INCLUDED MEN 'S HEALTH SCREENING GUIDELINES AND CHECKLISTS, WERE DISTRIBUTED AT AREA SCHOOLS AND AT GRI FFIN HOSPITAL THE EFFORT WAS MADE POSSIBLE BY THE "HEALTH INITIATIVE FOR MEN FUND," ESTAB LISHED BY ANSONIA BUSINESSMAN FRANK MICHAUD AND HIS WIFE, JUDY, TO HELP INSPIRE MEN TO HAV E AN ANNUAL PHYSICAL AND RAISE AWARENESS ABOUT MEN'S HEALTH ISSUES, SUCH AS PROSTATE CANCE R AND COLORECTAL CANCER GRIFFIN ALSO BEGAN OFFERING FREE PROSTATE-SPECIFIC ANTIGEN (PSA) TESTS AND OTHER HEALTH SCREENINGS TO MEN AT VARIOUS COMMUNITY EVENTS THE GRIFFIN HOSPITAL MINI MED SCHOOL CELEBRATED ITS SEVENTH YEAR IN 2012, GRADUATING MORE THAN 50 STUDENTS FRO M ITS FALL SESSION THE 10-WEEK COURSE WAS TAUGHT BY MEMBERS OF THE GRIFFIN HOSPITAL MEDIC AL STAFF WHO VOLUNTEERED THEIR TIME AS FACULTY FOR THE COURSE, EXEMPLIFYING THE HOSPITAL'S COMMITMENT TO HEALTH EDUCATION AND ACCESS TO INFORMATION FOR PATIENTS, THEIR FAMILIES, AN D MEMBERS OF THE COMMUNITY ANOTHER KEY COMPONENT OF THIS COMMITMENT, GRIFFIN'S ONGOING SER IES OF FREE COMMUNITY HEALTH LECTURES, CONTINUED WITH THE INTRODUCTION OF THE "HEALTHY U" TUESDAY TALK SERIES GRIFFIN EXPERTS PROVIDED HEALTH AND WELLNESS INFORMATION AND ENCOURAG ED COMMUNITY RESIDENTS TO TAKE A MORE ACTIVE ROLE

Identifier	ReturnReference	Explanation
		IN THEIR HEALTH AND THEIR HEALTHCARE IN A SERIES OF TALKS HELD AT GRIFFIN AND IN VARIOUS C OMMUNITY SETTINGS, INCLUDING RESIDENTIAL COMMUNITIES, PUBLIC LIBRARIES, AND SENIOR AND COM MUNITY CENTERS THE HOSPITAL'S HEALTH RESOURCE CENTER, WHICH IS OPEN SIX DAYS A WEEK AND S TAFFED BY PROFESSIONAL LIBRARIANS, PROVIDED SUPPORT FOR ALL OF GRIFFIN'S HEALTH EMPOWERMEN T ACTIVITIES, OFFERING RESOURCES AND ASSISTANCE TO PATIENTS, STAFF, AND COMMUNITY MEMBERS THE CENTER FEATURES A VAST COLLECTION OF CONSUMER HEALTH BOOKS, PERIODICALS, AND VIDEO RE SOURCES, AS WELL AS ACCESS TO A NUMBER OF PEER-REVIEWED ELECTRONIC DATABASES SINCE THE CE NTER OPENED IN 1994, MORE THAN 10,000 COMMUNITY MEMBERS HAVE SIGNED UP FOR LIBRARY CARDS T HAT ALLOW THEM TO CHECK OUT MATERIALS AS THEY WOULD AT A PUBLIC LIBRARY THESE ACTIVITIES A ND MORE COMPRISED THE MORE THAN $18 MILLION IN COMMUNITY BENEFIT THAT GRIFFIN HOSPITAL CON TRIBUTED TO ITS COMMUNITY THAT AMOUNT INCLUDED THE PROVISION OF NEARLY $2 8 MILLION IN CH ARITY CARE, APPROXIMATELY $12 6 MILLION IN SUBSIDIZED CARE TO PATIENTS COVERED BY MEDICARE , MEDICAID, AND OTHER PUBLIC PROGRAMS, MORE THAN $1 MILLION WORTH OF HEALTH PROFESSIONS ED UCATION TO HELP PREPARE THE NEXT GENERATION OF CAREGIVERS, AND NEARLY $1 9 MILLION WORTH O F OTHER COMMUNITY BENEFIT ACTIVITIES AND HEALTH SERVICES SUBSIDIES

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 N/A

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

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
GRIFFIN HOSPITAL

Employer identification number
06-0647014

Part I Questions Regarding Compensation

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

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) CHARMEL PATRICK	(i)	373,073	39,541	765	43,935	14,256	471,570	0
	(ii)	0	0	0	0	0	0	0
(2) DOBULER KENNETH	(i)	226,511	0	0	47,152	0	273,663	0
	(ii)	0	0	0	0	0	0	0
(3) SCHWARTZ KENNETH	(i)	166,971	22,796	765	53,069	14,256	257,857	0
	(ii)	0	0	0	0	0	0	0
(4) STUMPO BARBARA J	(i)	152,020	16,948	741	26,666	14,256	210,631	0
	(ii)	0	0	0	0	0	0	0
(5) MOYLAN JAMES J	(i)	219,160	29,995	765	37,047	1,980	288,947	0
	(ii)	0	0	0	0	0	0	0
(6) POWANDA WILLIAM	(i)	163,711	17,664	333	34,858	13,284	229,850	0
	(ii)	0	0	0	0	0	0	0
(7) BERNS EDWARD	(i)	133,289	18,768	678	22,258	14,256	189,249	0
	(ii)	0	0	0	0	0	0	0
(8) MARTIN KATHLEEN	(i)	130,520	18,427	667	23,406	14,256	187,276	0
	(ii)	0	0	0	0	0	0	0
(9) DEEGAN MARGARET	(i)	178,696	25,297	765	17,260	14,256	236,274	0
	(ii)	0	0	0	0	0	0	0
(10) SHEPARD SETH	(i)	160,485	22,232	751	19,503	1,980	204,951	0
	(ii)	0	0	0	0	0	0	0
(11) FRAMPTON SUSAN	(i)	0	0	0	0	0	0	0
	(ii)	235,966	37,803	555	22,234	5,998	302,556	0
(12) D'SOUSA SEEMA	(i)	179,079	0	345	7,379	14,256	201,059	0
	(ii)	0	0	0	0	0	0	0
(13) HALSTEAD EDWARD	(i)	199,015	0	765	53,826	14,256	267,862	0
	(ii)	0	0	0	0	0	0	0
(14) NAWAZ HAQ	(i)	240,031	0	765	13,244	14,256	268,296	0
	(ii)	0	0	0	0	0	0	0
(15) SALABARRIA JAVIER	(i)	265,790	0	765	8,320	13,284	288,159	0
	(ii)	0	0	0	0	0	0	0
(16) HURIBAL MARSEL	(i)	175,011	0	0	0	0	175,011	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 06-0647014
Name: GRIFFIN HOSPITAL

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
CHARMEL PATRICK	(I)	373,073	39,541	765	43,935	14,256	471,570	0
	(II)	0	0	0	0	0	0	0
DOBULER KENNETH	(I)	226,511	0	0	47,152	0	273,663	0
	(II)	0	0	0	0	0	0	0
SCHWARTZ KENNETH	(I)	166,971	22,796	765	53,069	14,256	257,857	0
	(II)	0	0	0	0	0	0	0
STUMPO BARBARA J	(I)	152,020	16,948	741	26,666	14,256	210,631	0
	(II)	0	0	0	0	0	0	0
MOYLAN JAMES J	(I)	219,160	29,995	765	37,047	1,980	288,947	0
	(II)	0	0	0	0	0	0	0
POWANDA WILLIAM	(I)	163,711	17,664	333	34,858	13,284	229,850	0
	(II)	0	0	0	0	0	0	0
BERNS EDWARD	(I)	133,289	18,768	678	22,258	14,256	189,249	0
	(II)	0	0	0	0	0	0	0
MARTIN KATHLEEN	(I)	130,520	18,427	667	23,406	14,256	187,276	0
	(II)	0	0	0	0	0	0	0
DEEGAN MARGARET	(I)	178,696	25,297	765	17,260	14,256	236,274	0
	(II)	0	0	0	0	0	0	0
SHEPARD SETH	(I)	160,485	22,232	751	19,503	1,980	204,951	0
	(II)	0	0	0	0	0	0	0
FRAMPTON SUSAN	(I)	0	0	0	0	0	0	0
	(II)	235,966	37,803	555	22,234	5,998	302,556	0
D'SOUSA SEEMA	(I)	179,079	0	345	7,379	14,256	201,059	0
	(II)	0	0	0	0	0	0	0
HALSTEAD EDWARD	(I)	199,015	0	765	53,826	14,256	267,862	0
	(II)	0	0	0	0	0	0	0
NAWAZ HAQ	(I)	240,031	0	765	13,244	14,256	268,296	0
	(II)	0	0	0	0	0	0	0
SALABARRIA JAVIER	(I)	265,790	0	765	8,320	13,284	288,159	0
	(II)	0	0	0	0	0	0	0
HURIBAL MARSEL	(I)	175,011	0	0	0	0	175,011	0
	(II)	0	0	0	0	0	0	0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
GRIFFIN HOSPITAL

Employer identification number
06-0647014

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	CHEFA SERIES B	06-0806186		02-01-2005	24,800,000	CONSTRUCTION OF NEW WING		X		X		X
B	CHEFA SERIES C	06-0806186		05-01-2007	23,125,000	CONSTRUCTION OF NEW CANCER CENTER & RENOVATION OF EMERGENCY DEPARTMENT		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds defeased				
3	Total proceeds of issue	25,769,812	22,982,209		
4	Gross proceeds in reserve funds		1,406,958		
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow	24,573,303			
7	Issuance costs from proceeds	435,721	234,306		
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds	760,791	1,133,492		
10	Capital expenditures from proceeds		20,207,453		
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	1996	2010		

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X				
2	Is the bond issue a variable rate issue?		X	X					
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X	X					
b	Name of provider			WACHOVIA BANK					
c	Term of hedge			2037 000000000000					
d	Was the hedge superintegrated?				X				
e	Was a hedge terminated?				X				
4a	Were gross proceeds invested in a GIC?		X		X				
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		X		X				
6	Did the bond issue qualify for an exception to rebate?		X		X				

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
GRIFFIN HOSPITAL

Employer identification number
06-0647014

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 6	GRIFFIN HOSPITAL IS A NON-STOCK CORPORATION THAT DOES NOT HAVE STOCKHOLDERS OR MEMBERS, BUT WHICH DOES HAVE A BOARD OF INCORPORATORS WHO SERVE AS REPRESENTATIVES OF THE COMMUNITY TO CARRY OUT THE EXEMPT AND CHARITABLE PURPOSES OF THE HOSPITAL
	FORM 990, PART VI, SECTION A, LINE 7A	THE BOARD OF TRUSTEES MAKES RECOMMENDATIONS TO THE INCORPORATORS OF THE HOSPITAL REGARDING NOMINATIONS OF MEMBERS OF THE COMMUNITY TO SERVE AS TRUSTEES
	FORM 990, PART VI, SECTION B, LINE 11	FORM 990 IS REVIEWED BY MANAGEMENT PRIOR TO FILING
	FORM 990, PART VI, SECTION B, LINE 12C	EACH YEAR ALL MEMBERS OF THE HOSPITAL BOARD, OFFICERS, DIRECTORS, AND KEY EMPLOYEES RECEIVE, SIGN, AND SUBMIT A CONFLICT OF INTEREST DISCLOSURE. THE DISCLOSURES ARE REVIEWED BY THE HOSPITAL BOARD AND DOCUMENTED IN THE MINUTES. ANY DISCLOSURE OF A CONFLICT PREVENTS THE INDIVIDUAL FROM INVOLVEMENT WITH OR PARTICIPATION IN SUBJECT MATTER THAT MIGHT AFFECT THE DISCLOSED CONFLICT. SUCH ACTIONS ARE DOCUMENTED IN BOARD MINUTES. ALL CONFLICTS ARE DISCLOSED TO BOARD MEMBERS AND CORPORATORS AT THE ANNUAL MEETING OF THE CORPORATION
	FORM 990, PART VI, SECTION B, LINE 15	COMPENSATION OF OFFICERS AND KEY EMPLOYEES ARE REVIEWED ANNUALLY BY THE COMPENSATION COMMITTEE WHICH IS A SUBCOMMITTEE OF THE HOSPITAL BOARD. THIS COMMITTEE SETS THE COMPENSATION FOR THE CEO BASED ON INDUSTRY DATA. COMPENSATION OF OTHER OFFICERS AND DIRECTORS IS SET BY THE CEO IN CONJUNCTION WITH THE HUMAN RESOURCE DEPARTMENT. AGAIN INDUSTRY COMPENSATION DATA IS THE BASIS FOR DETERMINING THE APPROPRIATENESS OF COMPENSATION. THE CEO REVIEWS WITH THE COMPENSATION COMMITTEE ALL OFFICERS AND DIRECTORS IN THE FIRST QUARTER OF THE CALENDAR YEAR
	FORM 990, PART VI, SECTION C, LINE 19	THE GOVERNING DOCUMENTS ARE FILED WITH THE OFFICE OF HEALTH CARE ACCESS AND ARE AVAILABLE TO THE PUBLIC UPON REQUEST
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED GAINS ON INVESTMENTS 534,665 TRANSFERS BETWEEN AFFILIATES -2,731,233 MINIMUM PENSION LIABILITY ADJUSTMENT 10,040,391 CHANGE IN NET ASSETS OF AFFILIATE 567,699 CHANGE IN TEMPORARILY RESTRICTED NET ASSETS 322,853 CHANGE IN BENEFICIAL INTEREST IN TRUSTS 282,973 TOTAL TO FORM 990, PART XI, LINE 5 9,017,348
FORM 990, PART XI, LINE 2C		THE BOARD OF TRUSTEES IS RESPONSIBLE FOR SELECTING AN INDEPENDENT AUDIT FIRM AND FOR OVERSEEING THE FINANCIAL STATEMENT PREPARATION PROCESS. THERE HAVE BEEN NO CHANGES IN THESE PROCEDURES SINCE THE PRIOR YEAR

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
GRIFFIN HOSPITAL

Employer identification number
06-0647014

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization Yes	(g) Section 512(b)(13) controlled organization No
(1) GRIFFIN HEALTH SERVICES CORPORATION 130 DIVISION STREET DERBY, CT 06418 22-2560257	HOLDING COMPANY	CT	501(C)(3)	509(A)(3)(B)(I)	N/A		No
(2) GRIFFIN FACULTY PRACTICE PLAN INC 130 DIVISION STREET DERBY, CT 06418 06-1463147	MEDICAL/EDUCATION	CT	501(C)(3)	509(A)(2)	GRIFFIN HOSPITAL		No
(3) THE GRIFFIN HOSPITAL DEVELOPMENT FUND 130 DIVISION STREET DERBY, CT 06418 22-2560254	FUND RAISING	CT	501(C)(3)	509(A)(1)	GRIFFIN HEALTH SERVICES CORPORATION		No
(4) PLANETREE INC 130 DIVISION STREET DERBY, CT 06418 06-1505284	EDUCATION	CT	501(C)(3)	509(A)(2)	GRIFFIN HEALTH SERVICES CORPORATION		No

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) GH VENTURES INC 130 DIVISION STREET DERBY, CT 06418 22-2560247	MANAGE MEDICAL BILLING	CT	GRIFFIN HEALTH SERVICES CORPORATION	C			
(2) HEALTHCARE ALLIANCE INSURANCE COMPANY LTD 171 ELGIN AVENUE GEORGETOWN CJ	OFFSHORE CAPTIVE	CJ	GRIFFIN HEALTH SERVICES CORPORATION	C			
(3) CT PRACTICE MANAGEMENT INC 130 DIVISION STREET DERBY, CT 06418 06-1152819	INACTIVE	CT	N/A	C			

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

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

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

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

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

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

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

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

Schedule R (Form 990) 2011

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 06-0647014
Name: GRIFFIN HOSPITAL

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	GRIFFIN HEALTH SERVICES CORP	O	387,977	ACTUAL CASH
(2)	GH VENTURES INC	O	383,280	ACTUAL CASH
(3)	GRIFFIN DEVELOPMENT FUND	O	546,936	ACTUAL CASH
(4)	PLANETREE INC	O	2,685,450	ACTUAL CASH
(5)	GRIFFIN HOSPITAL DEVELOPMENT FUND	R	885,000	ACTUAL CASH
(6)	GRIFFIN HEALTH SERVICES CORP	R	120,000	ACTUAL CASH
(7)	GRIFFIN FACULTY PRACTICE PLAN	Q	3,066,634	ACTUAL CASH

The Griffin Hospital and Subsidiary

Consolidated Financial Statements and Consolidating Information
September 30, 2012 and 2011

The Griffin Hospital and Subsidiary
Index
September 30, 2012 and 2011

pwc

Report of Independent Auditors

To the Board of Trustees of
The Griffin Hospital

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, of changes in net assets and of cash flows present fairly, in all material respects, the financial position of The Griffin Hospital and Subsidiary (the "Hospital") at September 30, 2012 and 2011, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America These financial statements are the responsibility of the Hospital's management Our responsibility is to express an opinion on these financial statements based on our audits We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation We believe that our audits provide a reasonable basis for our opinion

PricewaterhouseCoopers LLP

April 18, 2013

PricewaterhouseCoopers LLP, 185 Asylum Street, Suite 2400, Hartford, CT 06103-3404
T: (860) 241 7000, F: (860) 241 7590, www.pwc.com/us

The Griffin Hospital and Subsidiary
Consolidated Balance Sheets
September 30, 2012 and 2011

	2012	2011
Assets		
Current assets		
Cash and cash equivalents	$ 8,167,417	$ 5,607,752
Investments	5,371,978	7,625,803
Assets limited as to use	700,398	704,176
Patient accounts receivable, less allowance for doubtful accounts of approximately $4,593,000 and $5,806,000, respectively	13,110,545	17,300,192
Other current assets	5,665,669	6,392,598
Total current assets	33,016,007	37,630,521
Assets limited as to use		
Board-designated investments	10,001	31,384
Under indenture agreement	4,288,627	4,288,799
Total assets limited as to use	4,298,628	4,320,183
Long-term investments	1,147,841	1,030,970
Property, plant and equipment, net	60,325,720	62,284,936
Interest in net assets of affiliate	5,952,786	5,415,314
Due from affiliates	7,998,375	5,411,702
Beneficial interest in trusts	3,650,093	3,367,120
Estimated third party settlements, long term	1,203,411	457,830
Other long-term assets and insurance recoverable	12,635,039	12,654,401
	92,913,265	90,622,273
Total assets	$ 130,227,900	$ 132,572,977

The Griffin Hospital and Subsidiary
Consolidated Balance Sheets
September 30, 2012 and 2011

	2012	2011
Liabilities and Net Deficit		
Current liabilities		
Current portion of long-term debt and capital lease obligations	$ 6,418,425	$ 6,380,271
Accounts payable	20,201,504	19,825,537
Accrued expenses	8,406,735	7,105,100
Accrued interest payable	347,111	365,713
Accrued postretirement benefit liability	435,000	525,000
Deferred revenue	40,179	33,048
Due to affiliates	196,466	67,621
Total current liabilities	36,045,420	34,302,290
Estimated third party settlements	3,179,514	1,203,129
Professional and general liability loss reserves	10,488,070	10,493,026
Workers compensation loss reserves	2,108,091	1,514,632
Accrued pension liability	42,427,930	52,424,095
Accrued postretirement benefit liability, net of current portion	8,484,801	7,469,095
Asset retirement obligation	119,709	125,216
Long-term debt, net of current portion	46,957,600	48,524,613
Capital lease obligations, net of current portion	1,299,057	3,205,611
Interest rate swap agreements	9,153,353	7,973,902
Total liabilities	160,263,545	167,235,609
Net deficit		
Unrestricted operating	13,419,944	20,659,590
Cumulative unrecognized pension charges	(51,468,946)	(62,729,753)
Total unrestricted	(38,049,002)	(42,070,163)
Temporarily restricted	2,203,003	1,880,150
Permanently restricted	5,810,354	5,527,381
Total net deficit	(30,035,645)	(34,662,632)
Total liabilities and net deficit	$ 130,227,900	$ 132,572,977

The accompanying notes are an integral part of these consolidated financial statements

The Griffin Hospital and Subsidiary
Consolidated Statements of Operations
Years Ended September 30, 2012 and 2011

	2012	2011
Operating revenues		
Net patient service revenue	$ 123,980,407	$ 124,691,401
Other operating revenue	5,743,384	6,101,588
Net assets released from restrictions used for operations	5,000	27,869
Total operating revenues	129,728,791	130,820,858
Operating expenses		
Employee compensation and related expenses	76,243,963	73,723,186
Supplies and other expenses	48,809,594	45,693,455
Depreciation and amortization	5,999,975	5,837,895
Interest	2,709,709	2,618,102
Provision for doubtful accounts, net of recoveries	1,101,989	3,461,056
Total operating expenses	134,865,230	131,333,694
Loss from operations	(5,136,439)	(512,836)
Nonoperating gains (losses)		
Investment income	998,665	218,353
Net realized and unrealized losses on interest rate swaps	(2,523,551)	(2,527,906)
Grant revenues	2,234,902	2,414,954
Grant expenses	(2,259,698)	(2,141,922)
	(1,549,682)	(2,036,521)
Deficiency of revenues over expenses	(6,686,121)	(2,549,357)
Other changes in unrestricted net assets		
Change in interest in net assets of affiliate	331,491	(4,721)
Transfers between affiliates, net	335,400	3,221,665
Pension and other post-retirement related charges other than net periodic benefit cost	10,040,391	(17,771,550)
Increase (decrease) in unrestricted net assets	$ 4,021,161	$ (17,103,963)

The accompanying notes are an integral part of these consolidated financial statements

The Griffin Hospital and Subsidiary
Consolidated Statements of Changes in Net Assets
Years Ended September 30, 2012 and 2011

	2012	2011
Unrestricted net assets		
Deficiency of revenues over expenses	$ (6,686,121)	$ (2,549,357)
Change in interest in net assets of affiliate	331,491	(4,721)
Other changes	335,400	3,221,665
Pension and other post-retirement related charges other than net periodic benefit cost	10,040,391	(17,771,550)
Increase (decrease) in unrestricted net assets	4,021,161	(17,103,963)
Temporarily restricted net assets		
Change in interest in net assets of affiliate	205,982	(103,900)
Investment income	46,808	33,862
Unrealized gain (loss) on investments	75,063	(36,393)
Net assets released from restrictions used for operations	(5,000)	(27,869)
Increase (decrease) in temporarily restricted net assets	322,853	(134,300)
Permanently restricted net assets		
Change in beneficial interest in trusts	282,973	(277,108)
Increase (decrease) in permanently restricted net assets	282,973	(277,108)
Increase (decrease) in net assets	4,626,987	(17,515,371)
Net deficit		
Beginning of year	(34,662,632)	(17,147,261)
End of year	$ (30,035,645)	$ (34,662,632)

The accompanying notes are an integral part of these consolidated financial statements

The Griffin Hospital and Subsidiary
Consolidated Statements of Cash Flows
Years Ended September 30, 2012 and 2011

	2012	2011
Cash flows from operating activities		
Decrease in net assets	$ 4,626,987	$ (17,515,371)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Pension and other post-retirement changes other than net periodic benefit cost	(10,040,391)	17,771,550
Depreciation and amortization	6,154,192	5,985,361
Change in unrealized and realized gains and losses on investments	647,012	(161,977)
Change in beneficial interest in trusts	(282,973)	277,108
Change in fair value of interest rate swap	1,179,451	1,151,798
Provision for doubtful accounts, net of recoveries	1,101,989	3,461,056
Transfers between affiliates, net	335,400	3,221,655
Change in interest in net assets of affiliate	(537,472)	108,621
Changes in assets and liabilities		
Patient accounts receivable	3,087,657	(5,204,290)
Other current and long-term assets	535,512	(2,773,322)
Due from affiliates, net	(2,457,828)	906,341
Accounts payable, accrued expenses and other	1,667,633	2,322,907
Estimated amounts due to third-party settlements	1,230,804	370,670
Deferred revenue	7,131	16,418
Accrued pension and postretirement benefit liabilities	969,932	(448,585)
Total adjustments	3,598,049	27,005,311
Net cash provided by operating activities	8,225,036	9,489,940
Cash flows from investing activities		
Purchases of property, plant and equipment, net	(3,476,398)	(4,413,041)
Purchases of investments	(11,098,922)	(10,537,500)
Proceeds from sales and maturities of investments	12,614,197	13,086,765
Transfers between affiliates, net	(335,400)	(3,221,655)
Net cash used in investing activities	(2,296,523)	(5,085,431)
Cash flows from financing activities		
Proceeds from borrowing	362,048	700,000
Principal payments on debt	(1,900,000)	(1,790,000)
Principal payments on capital lease obligations	(1,830,896)	(1,733,194)
Net cash used in financing activities	(3,368,848)	(2,823,194)
Net increase in cash and cash equivalents	2,559,665	1,581,315
Cash and cash equivalents		
Beginning of year	5,607,752	4,026,437
End of year	$ 8,167,417	$ 5,607,752
Supplemental disclosures of cash flow information		
Interest paid	$ 4,072,410	$ 4,020,108
Supplemental disclosure of noncash financing activities		
Property, plant and equipment included in accounts payable and and accrued expenses	1,173,836	599,466

The accompanying notes are an integral part of these consolidated financial statements

1. Organization

The Griffin Hospital (the "Hospital") is a licensed 160-bed acute care hospital located in Derby, Connecticut and is part of an affiliated group which consists of its parent corporation, Griffin Health Services Corporation ("GHSC"), including Griffin Pharmacy and Gifts ("GP&G"), and certain other affiliates, primarily the Griffin Hospital Development Fund ("GHDF"), the fund-raising organization for GHSC and the other tax-exempt subsidiaries, G H Ventures, Inc ("GHV"), a for profit organization currently managing medical office buildings, Planetree Inc ("Planetree"), a not-for-profit entity assisting hospitals and other health care facilities in the development and implementation of a patient centered model of care, the Griffin Faculty Practice Plan, Inc ("FPP"), a not-for-profit entity incorporated for the purpose of providing medical services and to charge for services performed by physicians as supervisors of interns, and Healthcare Alliance Insurance Company, Ltd ("HAIC"), a for profit off-shore captive insurance company

In February 2008, the Hospital and GHV entered into a joint venture with TOPCO Associates, LLC, to form a company called NuVal The purpose of this company is to commercialize an "Overall Nutrition Quality Index" system, developed by the Hospital for promoting healthy eating habits among the general population The Hospital's ownership interest in NuVal was transferred to GHV in 2008 and as such all amounts related to NuVal are recorded in the GHV and consolidated GHSC financial statements

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Hospital and its wholly owned subsidiary, FPP All significant intercompany accounts and transactions are eliminated in consolidation

Basis of Presentation

The consolidated financial statements have been prepared on the accrual basis of accounting

Resources are reported for accounting purposes in separate classes of net assets based on the existence or absence of donor-imposed restrictions In the accompanying financial statements, net assets have been reported as follows

Permanently Restricted

Net assets subject to explicit donor-imposed stipulations that they be maintained by the Hospital in perpetuity are classified as permanently restricted Generally, the donors of these assets permit the Hospital to use all or part of the investment return on these assets for operating purposes

Temporarily Restricted

Net assets whose use by the Hospital is subject to explicit donor-imposed stipulations that can be fulfilled upon incurrence of expenses by the Hospital pursuant to those stipulations or that expire by the passage of time are classified as temporarily restricted

Unrestricted

Net assets that are not subject to explicit donor-imposed stipulations are classified as unrestricted Unrestricted net assets may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties

Revenues from sources other than contributions are reported in unrestricted net assets Contributions are reported as increases in the applicable category of net assets, consistent with donor designation Expenses are reported as decreases in unrestricted net assets Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets, unless their use is restricted by explicit donor stipulations or by law Expirations of temporary restrictions on net assets, that is, the donor-imposed stipulated purpose has been accomplished and/or stipulated time period has elapsed, are reported as reclassifications between the applicable classes of net assets

Grant revenues and expenses relating to Hospital operations are included within operating revenues and expenses Grant revenues and expenses relating to research are included within nonoperating gains and losses

Contributions, including unconditional promises to give, are recognized as increases in net assets at the date the gift or promise is received Contributions of assets other than cash are recorded at their estimated fair value Contributions to be received after one year are discounted at a rate commensurate with the risks involved Amortization of the discount is recorded as additional contribution revenue in accordance with the donor-imposed stipulations, if any, on the contributions

Contributions restricted for the acquisition of land, buildings and equipment are reported as temporarily restricted support These contributions are reclassified to unrestricted net assets when the capital asset is acquired or placed in service

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates The Hospital's and FPP's significant estimates include the allowances for patient accounts receivable contractual allowances and estimated final settlements due to or from third party payors, professional and general liability loss reserves and pension assumptions

Cash and Cash Equivalents
Cash and cash equivalents include investments in highly liquid instruments with a maturity of three months or less when purchased, excluding amounts whose use is limited by the Board of Trustees or other restrictive arrangements

The majority of the Hospital's banking activity, including cash and cash equivalents, is maintained with a regional bank and from time to time exceeds federal insurance limits It is the Hospital's policy to monitor the bank's financial strength on an ongoing basis

Beneficial Interest in Trusts
The fair value of contributions received from perpetual trust assets held by third parties is measured at the Hospital's proportionate share of the fair value of the trust's assets at the time the Hospital is notified of the trust's existence and periodically adjusted for changes in value Distributions received by the Hospital may be restricted by the donor These assets are classified as permanently restricted net assets

Inventories
Inventories, which are included in other current assets, are stated at the lower of cost, using the first-in, first-out method, or market Inventories are included in other current assets

Fair Value Measurements
Fair value standards define fair value and establish a framework for measuring fair value The framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements) The three levels of the fair value hierarchy under this principle are as follows

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Hospital and FPP have the ability to access

Level 2 Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets,
- Quoted prices for identical or similar assets or liabilities in inactive markets,
- Inputs other than quoted prices that are observable for the asset or liability,
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified term, the Level 2 input must be observable for substantially the full term of the asset or liability

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs

The fair value of the Hospital's and FPP's investments is based on quoted market values

The fair value of the Hospital's interest rate swaps liability is based on observable inputs other than quoted prices for similar instruments

Investments and Investment Income
Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value at the balance sheet date Investments of donor restricted funds are classified as long-term investments Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in the deficiency of revenues over expenses unless the income or loss is restricted by donor or law

Assets Limited as to Use
Assets limited as to use include assets set aside by the Board of Trustees in a depreciation fund for future capital improvements, and assets held by a trustee under an indenture agreement

Property, Plant and Equipment
Property, plant and equipment are recorded at cost or in the case of donated property at the fair value at the date of gift Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method with one-half year of depreciation expense recorded in the year of acquisition Uniform useful lives assigned to assets are based upon the American Hospital Association estimated useful lives of depreciable hospital assets guidelines and range from 5 to 50 years Maintenance and repairs are charged to expense as incurred, and betterments and major renewals are capitalized Upon sale or disposal of property, plant or equipment, the cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations Equipment under capital leases is amortized on the straight-line method over the shorter of the lease term or the estimated useful life of the equipment Such amortization is included in depreciation and amortization expense Interest cost incurred on borrowed funds during the construction period of capital assets is capitalized as a component of the cost of acquiring those assets

The Hospital performed a review of certain building improvement and construction assets during the course of last year The review determined that certain assets were being depreciated over a term that was shorter than the assets' expected life As such the useful lives were adjusted and the corresponding depreciation was prospectively adjusted as appropriate The changes in the useful lives lead to a decrease in depreciation expense of approximately $461,000 during 2011

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

Asset Retirement Obligation
The Hospital accrues for asset retirement obligations, primarily asbestos related removal costs, in the period in which they are incurred if sufficient information is available to reasonably estimate the obligation Over time, the liability is accreted to its settlement value Upon settlement of the liability, the Hospital will recognize a gain or loss for any difference between the settlement amount and the liability recorded

Interest in Net Assets of Affiliate
Interest in net assets of affiliate represents the Hospital's interest in the net assets of GHDF

Cost of Borrowing
Issuance costs related to the Hospital's bond issuance are being amortized using the effective interest method over the life of the debt Amortization expense, which is included in interest expense, was $66,926 and $69,382 for 2012 and 2011, respectively

The discount from face value at which debt has been issued is reflected as a reduction of the carrying value of such debt The premium from face value at which debt has been issued is reflected as an addition to the carrying value of such debt Discounts and premiums are amortized or accreted over the life of the debt, using the effective interest method

Professional and General Liability Loss Reserves
The liability for claims is determined by management based on data processed by independent loss adjusters The liability for adverse claims development and the liability for claims incurred but not reported are determined by management based on actuarial studies of related data prepared by independent actuaries

Due to the nature of the underlying insurance risks and the general uncertainty surrounding medical malpractice claims settlement, the liability for losses is an estimate and could vary significantly from the amount ultimately paid However, the liability for losses reflects the best estimate of ultimate loss based on historical experience and actuarial projections

Deficiency of Revenues Over Expenses
The statement of operations includes a deficiency of revenues over expenses Changes in unrestricted net assets which are excluded from deficiency of revenues over expenses, consistent with industry practice, include changes in interests in net assets of affiliate, transfers of assets to and from affiliates for other than goods and services, and pension and other post-retirement related changes other than net periodic benefit cost

Net Patient Service Revenue
The Hospital and FPP have agreements with third-party payors that provide for payments at amounts different from established rates Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, per diem payments, fee schedule payments and capitated fees Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors due to future audits, reviews and investigations

Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews or investigations Contracts, loans and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates may change by a material amount in the future During 2012 and 2011, the Hospital recorded several adjustments for amounts recognized related to prior years, including adjustments to prior year estimates The net effect of such adjustments was decrease in net patient service revenue of approximately $553,459 in 2012 and a decrease of approximately $156,824 in 2011

Free Care
The Hospital provides care to patients who meet certain criteria under its free care policy without charge or at amounts less than its established and contractual rates Because the Hospital does not pursue collection of amounts determined to qualify as free care, they are not reported as net patient service revenue Free care of approximately $6,785,000 and $7,580,000 measured at the Hospital's respective established rates was provided in fiscal year 2012 and 2011, respectively

Income Taxes
The Hospital and FPP are not-for-profit organizations, exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code

Subsequent Events
Management has evaluated subsequent events for the period after September 30, 2012 through April 18, 2013, the date the financial statements were issued

Reclassifications
Certain amounts in the 2011 consolidated financial statement have been reclassified to conform to the 2012 financial statement presentation

3. Net Patient Service Revenue

Net patient service revenue for the years ended September 30, 2012 and 2011 is comprised as follows

	2012			2011		
	Hospital	FPP	Total	Hospital	FPP	Total
Patient service charges	$ 411,206,017	$ 5,471,322	$ 416,677,339	$ 384,534,584	$ 5,881,174	$ 390,415,758
Contractual allowances	(290,144,702)	(2,552,230)	(292,696,932)	(262,536,240)	(3,188,117)	(265,724,357)
Net patient service revenue	$ 121,061,315	$ 2,919,092	$ 123,980,407	$ 121,998,344	$ 2,693,057	$ 124,691,401

The Hospital and FPP have agreements with the Federal Medicare Program ("Medicare"), the State of Connecticut ("State") Medicaid Program ("Medicaid"), and certain indemnity and managed care programs that determine payments for services rendered to patients covered by these programs

A summary of the payment arrangements with major third-party payors is as follows

Medicare
The Hospital is reimbursed for services rendered to nonpsychiatric inpatients under the prospective payment system ("PPS"), under which payments are based on standard national and regional amounts depending on patient diagnosis (Diagnosis Related Group or "DRG") and without regard to the Hospital's actual costs PPS permits additional payments, within specified limitations, to be made for atypical cases (outliers) and graduate medical education Inpatient psychiatric services are also paid under a prospective per diem payment system established by Medicare

The Hospital is reimbursed for most outpatient services under a prospective payment methodology based on ambulatory payment classifications ("APC") which are paid on standard national and regional amounts for procedures rendered to the patients and without regard to the Hospital's actual costs The remaining outpatient services (e g , routine clinical lab, physical therapy) are reimbursed on a fee schedule

The Hospital is reimbursed for cost reimbursable items at a tentative rate with final settlement after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary The estimated amounts due to or from the program are reviewed and adjusted annually based on the status of such audits and any subsequent appeals Differences between final settlements and amounts accrued in previous years are reported as adjustments to net patient service revenue in the year the examination is substantially complete The Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through September 30, 2007

Medicaid
Inpatient services rendered to Medicaid program beneficiaries, except for those beneficiaries in the State's Aid to Families with Dependent Children ("AFDC") population, are reimbursed under a cost reimbursement methodology The Hospital is reimbursed a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the State Outpatient services are reimbursed at predetermined fee schedules or percent of charges In addition, the State also contracts with various managed care organizations to provide services to the State's AFDC population The Hospital contracts with one or more of these managed care organizations and provide services on a per diem rate for inpatient and fee schedules or percent of charges for outpatients

Other Payers
The Hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations The basis for payment to the Hospital under these agreements includes prospectively determined rates per discharge, discounts from established charges, prospectively determined per diem rates, fee schedule payments and capitated fees

Future Reimbursement
Current trends in the health care industry include mergers and other forms of affiliations among providers, increasing shifts to managed care, an overall reduction in inpatient average length of stay, increasingly restrictive reimbursement policies by governmental and private payors, and the prospect of significant changes in legislation at the State and national level The Hospital cannot assess or project the ultimate effect of these or other items that may have an impact on the future operations of the Hospital

4. Investments

Investments
Investments, at fair value, at September 30 include

	2012		2011	
	Cost	Fair Value	Cost	Fair Value
Fixed income securities	$ 3,602,337	$ 3,611,174	$ 5,406,886	$ 5,001,889
Marketable equity securities	2,891,762	2,908,645	3,419,266	3,654,884
	$ 6,494,099	$ 6,519,819	$ 8,826,152	$ 8,656,773

Assets Limited as to Use

The composition of assets limited as to use at September 30, 2012 and 2011 is as follows

	2012		2011	
	Cost	Fair Value	Cost	Fair Value
Board-designated				
For capital acquisition				
Cash and cash equivalents	$ 10,001	$ 10,001	$ 20,507	$ 20,507
For postretirement benefits				
Cash and cash equivalents	-	-	10,877	10,877
	10,001	10,001	31,384	31,384
Held by trustee under indenture agreement				
U S Treasury obligations	4,988,754	4,988,194	4,992,520	4,991,621
Accrued interest receivable	831	831	1,354	1,354
	4,989,585	4,989,025	4,993,874	4,992,975
Less Current portion	(700,398)	(700,398)	(704,176)	(704,176)
	4,289,187	4,288,627	4,289,698	4,288,799
	$4,299,188	$4,298,628	$4,321,082	$4,320,183

Investment income and unrealized gains and losses for assets limited as to use, cash equivalents and other investments are comprised of the following for 2012 and 2011

	2012	2011
Income		
Interest and dividend income	$ 351,715	$ 380,331
Net realized gain	112,285	75,984
Change in unrealized gains and losses on investments	534,665	(237,961)
	$ 998,665	$ 218,353

The following table represents the Hospital's financial assets and liabilities by fair value hierarchy as of September 30, 2012

	Fair Value Measurements			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
Investments				
Fixed income	$ 3,611,174	$ -	$ -	$ 3,611,174
Equity securities	2,908,645			2,908,645
Total investments	6,519,819	-	-	6,519,819
Remainder trusts			109,818	$ 109,818
Perpetual trusts			3,540,275	3,540,275
Total assets at fair value	$ 6,519,819	$ -	$ 3,650,093	$ 10,169,912
Liabilities				
Interest rate swaps liability		$ 9,153,353	$ -	$ 9,153,353
Total liabilities at fair value	$ -	$ 9,153,353	$ -	$ 9,153,353

The following table sets forth a summary of changes in the fair value of the Hospital's Level 3 assets for the year ended September 30, 2012

Balance at September 30, 2011	$ 3,367,120
Change in unrealized value of interest in trusts	282,973
Balance at September 30, 2012	$ 3,650,093

There were no transfers between levels during 2012 or 2011

The following table represents the Hospital's financial assets and liabilities by fair value hierarchy as of September 30, 2011

	Fair Value Measurements			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
Investments				
Fixed income	$ 5,001,889	$ -	$ -	$ 5,001,889
Equity securities	3,654,884	-	-	3,654,884
Total investments	8,656,773	-	-	8,656,773
Remainder trusts	-	-	101,612	101,612
Perpetual trusts	-	-	3,265,508	3,265,508
Total assets at fair value	$ 8,656,773	$ -	$ 3,367,120	$ 12,023,893
Liabilities				
Interest rate swaps liability	$ -	$ 7,973,902	$ -	$ 7,973,902
Total liabilities at fair value	$ -	$ 7,973,902	$ -	$ 7,973,902

The following table sets forth a summary of changes in the fair value of the Hospital's Level 3 assets for the year ended September 30, 2011

Balance at September 30, 2010	$ 3,644,228
Change in unrealized value of interest in trusts	(277,108)
Balance at September 30, 2011	$ 3,367,120

5. Property, Plant and Equipment

Property, plant and equipment and accumulated depreciation as of September 30, 2012 and 2011 are summarized as follows

	2012	2011
Land and improvements	$ 5,107,308	$ 5,107,308
Buildings and improvements	71,833,837	70,300,374
Fixed and movable equipment	71,898,214	69,071,589
	148,839,359	144,479,271
Less Accumulated depreciation	(88,643,415)	(82,909,524)
	60,195,944	61,569,747
Construction-in-progress	129,776	715,189
	$ 60,325,720	$ 62,284,936

Depreciation expense was $4,698,788 and $3,871,478 for 2012 and 2011, respectively

Included in property, plant and equipment as of September 30, 2012 and 2011 are capital lease assets for major movable equipment with a cost of $8,901,170 Accumulated amortization on the respective capital lease assets was $4,488,949 and $3,187,762 as of September 30, 2012 and 2011, respectively

Amortization expense on capital lease assets was $1,301,187 and $1,966,417 for 2012 and 2011, respectively

6. Insurance Liability Loss Reserves

HAIC insures the professional and general liabilities of the Hospital under a claims-made policy with a retroactive date of October 1, 1986 There are known claims and incidents that may result in the assertion of additional claims as well as claims from unknown incidents that may be asserted arising from services provided to patients The Hospital has utilized independent actuaries to estimate the ultimate costs, if any, of the settlement of such claims Accrued malpractice reserves for professional and general liability have been discounted at 3 5% at September 30, 2012 and 3 5% at September 30, 2011 In management's opinion these reserves provide an adequate reserve for loss The Hospital has purchased excess insurance coverage to cover claims in excess of $1,500,000 and $4,500,000 in the aggregate An independent actuary has been utilized to estimate the ultimate cost of claims incurred contingencies

Effective January 1, 2003 Griffin Hospital began retaining the first $250,000 of all loss and allocated loss adjustment expense per accident for its workers compensation exposure Excess coverage above $250,000 per accident was purchased Beginning January 1, 2007 the per occurrence retention was increased to $300,000 Annual aggregate coverage was also purchased which provides $1 million of coverage above a maximum limit of retained losses within the per occurrence retention Beginning October 1, 2010 the per occurrence retention was increased to $400,000 and the annual aggregate coverage was discontinued The workers' compensation reserves have been discounted at 2 5% and 3 0% at September 30, 2012 and 2011, respectively, and in management's opinion provide an adequate reserve for loss contingencies

The Hospital also has recorded self-insurance reserves for its employee health plan, for the deductible portion of workers' compensation indemnity losses from January 1, 1999 and prior, and for the medical cost component of its workers' compensation losses prior to January 1, 2003, subject to certain umbrella and stop-loss coverage limits The Hospital accrues its best estimate of its retained liability for occurrences through each balance sheet date

7. Long-Term Debt

Long-term consists of the following at September 30, 2012 and 2011

	2012	2011
State of Connecticut Health and Educational Facilities Authority		
Series B	$ 17,200,000	$ 18,375,000
Series C	22,100,000	22,625,000
Series D	10,550,000	10,750,000
Loan payable	1,062,048	700,000
Premium and discount on bonds, net of accumulated accretion and amortization of $321,484 and $254,924, respectively	520,552	587,113
	51,432,600	53,037,113
Less Current portion	(4,475,000)	(4,512,500)
	$ 46,957,600	$ 48,524,613

The State of Connecticut Health and Educational Facilities Authority ("CHEFA") Revenue Bonds, The Griffin Hospital Issue, Series B, totaling $24,800,000 were issued in February 2005 The Series B bonds bear interest at rates ranging from 2 4% to 5 0% Interest is due semi-annually on January 1 and July 1 A bond premium of $969,815 and bond issuance costs of $1,196,512 are amortized over the life of the bond using the effective interest rate method The Series B bonds are insured by Radian Asset Guaranty Corporation The bonds are payable annually each July 1 through 2015 and on July 1, 2020 and July 1, 2023 in the amounts of $7,750,000 and $5,640,000, respectively The Series B bonds maturing after July 1, 2015 are subject to redemption prior to maturity commencing July 1, 2015 The estimated fair value of the Series B bond was approximately $17,820,000 and $18,161,000 at September 30, 2012 and 2011, respectively

In May 2007, CHEFA issued $23,125,000 revenue bonds, The Griffin Hospital Issue, Series C and $10,925,000 variable rate revenue bonds, The Griffin Hospital Issue, Series D

In May 2008, the Hospital refunded The Griffin Hospital Issue 2007 Series C and The Griffin Hospital Issue 2007 Series D bonds, which were initially issued as auction rate bonds, and issued $23,125,000 Griffin Hospital Issue 2008 Series C Variable Rate Demand bonds and $10,925,000 Griffin Hospital Issue 2008 Series D Variable Rate Demand Bonds (together referred to as "Series 2008 Bonds") The Series 2008 Bonds are insured by Radian Asset Guaranty Corporation

In order to provide liquidity for the Series 2008 Bonds, the Hospital has a standby letter of credit with Wells Fargo Bank N A for $34,050,000 which expires in May 2013 As of September 30, 2012 the Hospital was in violation of the letter of credit's required debt service coverage ratio and capitalization ratio In April 2013, Wells Fargo amended the letter of credit agreement to allow, as of September 30, 2012, the calculation of these ratios to exclude certain non-recurring expenditures for consulting expenses The consulting expenditures were incurred to help the Hospital identify and implement cost reductions and put in place software and controls designed to monitor and continue the cost containment process In connection with the amendment the Hospital has obtained an extension of this letter of credit to May 2014 Should the Series 2008 Bonds be put back, and the standby letter of credit be called, the Hospital would be required to repay the principal ratably over a 5-year period, beginning 180 days following the put

Under the terms of the CHEFA bonds, the Obligated Group (the Hospital, GHSC and GHDF) are required to maintain 50 days operating cash on hand and a debt service coverage ratio of 1 2 to 1 Additionally, the Obligated Group is required to maintain a capitalization ratio of less than 65 As of September 30, 2012 the Obligated Group failed to meet the debt service coverage and capitalization ratios As a result of the covenant violations, the Obligated Group entered into a Forbearance Agreement in April 2013 with Radian Asset Assurance, Inc , the bond insurer The Forbearance Agreement waives the covenant violations as of September 30, 2012 and modifies the debt to equity ratio calculation going forward to allow exclusion of any realized or unrealized gains (losses) on the interest rate swap In addition, the forbearance agreement added an additional loan covenant that beginning March 31, 2013 requires the Obligated Group to maintain an average payment period days of less than 110 days

Under both the letter of credit agreement and the CHEFA bonds there was a requirement to provide audited financial statements within 120 days of year end which was not met for the September 30, 2012 year end In April 2013, both Wells Fargo Bank and Radian have provided a waiver of this covenant violation

The CHEFA bonds are collateralized by the gross receipts of the Obligated Group and certain real property of the Hospital

Aggregate scheduled principal payments on all long-term debt are as follows

2013	$ 1,935,000
2014	2,040,000
2015	2,135,000
2016	2,225,000
2017	2,345,000
Thereafter	40,232,048
	$ 50,912,048

To the extent the Hospital is unable to remarket the Series 2008 bonds, the Hospital would be obligated to repurchase these bonds from the proceeds of the Hospital's standby letter of credit The previous debt maturities table reflects the payment of principal on these bonds according to

their scheduled maturity dates If the Series 2008 bonds were fully tendered by the bondholders to the Hospital as of September 30, 2012, the table of annual principal payments would become

2012	$ 4,475,000
2013	7,795,000
2014	7,865,000
2015	7,930,000
2016	8,000,000
Thereafter	14,847,048
	$ 50,912,048

Under the terms of the bond agreements, the Hospital is required to maintain certain funds with a trustee for specified purposes and time periods Required payments to the trustee are made by the Hospital in amounts sufficient to provide for the payment of principal, interest and sinking fund installments as they become due, and certain other payments Assets held by the trustees pursuant to the indentures as of September 30, 2012 and 2011 are as follows

	2012	2011
Debt service reserve fund	$ 4,287,910	$ 4,288,344
Debt service fund	215,120	225,970
Principal fund	485,164	477,307
Accrued interest receivable	831	1,354
	$ 4,989,025	$ 4,992,975

The Hospital borrowed $1,062,048 and $700,000 of the net cash value of certain officer universal life insurance policies for working capital purposes in fiscal years 2011 and 2010 respectively The fiscal year 2010 borrowing was paid back in fiscal year 2011 There is no repayment requirement relative to the borrowing

Derivative Instruments

The Hospital initially issued its Series 2007 Series C and 2007 Series D bonds bearing interest at a variable rate In May 2007, the Hospital entered into two interest rate swap agreements to manage interest rate risk These agreements involve payment of fixed rate interest payments by the Hospital in exchange for the receipt of variable rate interest payments from the counterparties, based on a percentage of the London Interbank Offered Rate (LIBOR) In 2008, the Hospital refinanced the Series 2007 bonds and issued the Series 2008 Bonds These bonds also bear interest at a variable rate The two original swap agreements continue to be utilized by the Hospital to manage its interest rate risk At September 30, 2012, the notional amount of the derivative financial instruments was $22,100,000 (Series 2008 Issue C nontaxable bonds) and $10,550,000 (Series 2008 Issue D taxable bonds), respectively

Upon the occurrence of certain events of default or termination events identified in the derivative contracts, either the Hospital or the counterparty could terminate the contract in accordance with its terms Termination would result in the payment of a termination amount by one party to compensate the other party for its economic losses The cost of termination would depend, in major part, on the then current interest rate levels, and if the interest rate levels were then lower than those specified in the derivative contract, the cost of termination to the Hospital could be significant

The fair value of these derivatives was a liability of $9,153,353 and $7,973,902 as of September 30, 2012 and 2011, respectively, which is included in long-term liabilities The impact of the change in fair value was $1,179,451 and $1,151,797 for the years ended September 30, 2012 and 2011, respectively This change is included in the net realized and unrealized losses on interest rate swap agreements, which also includes the net periodic settlement payments related to the swap agreements of $1,344,099 and $1,376,109 for 2012 and 2011, respectively

The following table lists the fair value of derivatives by contract type included in the consolidated balance sheets at September 30, 2012 and 2011

	2012	
	Initial Notional	Fair Value
Derivatives not designated as hedging instruments		
Interest rate swaps	$ 34,050,000	$ (9,153,353)

	2011	
	Initial Notional	Fair Value
Derivatives not designated as hedging instruments		
Interest rate swaps	$ 34,050,000	$ (7,973,902)

The following table indicates the realized and unrealized losses by contract type, as included in the consolidated statements of operations for the years ended September 30, 2012 and 2011

	2012	
	Location of Gain or (Loss) on Derivatives	Gain or (Loss) on Derivatives
Derivatives not designated for hedging Instruments		
Interest rate swaps	Net realized and unrealized losses on interest rate swaps	$ (2,523,551)

	2011	
	Location of Gain or (Loss) on Derivatives	Gain or (Loss) on Derivatives
Derivatives not designated for hedging Instruments		
Interest rate swaps	Net realized and unrealized losses on interest rate swaps	$ (2,527,906)

8. Lease Commitments

Capital Leases
The Hospital leases certain equipment under capital leases which extend through 2015

Future minimum rental payments, by year and in aggregate, under capital leases consist of the following as of September 30, 2012

2013		$ 2,024,967
2014		1,214,035
2015		110,886
		3,349,888
Less	Amounts representing interest	144,274
	Present value of minimum lease payments	3,205,614
Less	Current portion	1,906,557
	Capital lease obligation, net current portion	$ 1,299,057

Operating Leases

The Hospital leases various equipment and office space under operating leases, expiring at various dates through 2017 Some of these leases contain renewal options Rent expense under such leases was approximately $994,100 and $779,000 for the years ended September 30, 2012 and 2011, respectively

Future minimum rental payments as of September 30, 2012 under noncancelable operating leases are as follows

2013	$ 1,048,456
2014	1,042,802
2015	1,036,385
2016	1,015,173
2017	573,833
	$ 4,716,649

9. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of September 30, 2012 and 2011

	2012	2011
Unspent income and appreciation on endowment funds expendable for specified healthcare services	$ 730,489	$ 613,618
Change in the unspent income and (depreciation) appreciation on GHDF endowment funds	316,479	(20,928)
Restricted for purchase of equipment	324,977	813,033
Restricted specified healthcare services	831,058	474,427
	$ 2,203,003	$ 1,880,150

Permanently restricted net assets at September 30, 2012 and 2011 are comprised as follows

	2012	2011
Investments to be held in perpetuity, the income of which is expendable to support health care services	$ 417,645	$ 417,645
Interest in permanently restricted net assets of GHDF's endowment, the income of which is expendable for specified health care services	1,742,616	1,742,616
Beneficial interest in trusts	3,650,093	3,367,120
	$ 5,810,354	$ 5,527,381

10. Other Debt Arrangements and Guarantees

On March 5, 2005, the Hospital entered into a $262,500 letter of credit agreement with Wells Fargo Bank On February 23, 2009, the Hospital also entered into an additional $750,000 letter of credit agreement with Wells Fargo Bank On January 21, 2010, the letter of credit agreement for $262,500 was reduced to $50,000 No borrowings had been made on either letter of credit as of September 30, 2012 or 2011

11. Transactions with Affiliated Corporations

Due from affiliates represents amounts receivable for various monthly operating expenses and other operating purposes paid by the Hospital The following summarizes the due from affiliates as of September 30

	2012	2011
Health Alliance Insurance Company, Ltd (HAIC)	$ 5,169,742	$ 4,252,041
G H Ventures, Inc (GHV)	1,542,941	1,159,661
Planetree	644,696	-
GHSC	315,007	-
Griffin Pharmacy and Gift Shop (GP&GS)	325,989	-
	$ 7,998,375	$ 5,411,702

The following summarizes the due to affiliates as of September 30

	2012	2011
Planetree, Inc	$ -	$ 5,633
The Griffin Hospital Development Fund, Inc	196,466	-
Griffin Pharmacy and Gift Shop (GP&GS)	-	61,988
	$ 196,466	$ 67,621

The Hospital incurs charges related to various administrative and operating expenses, including salaries and related costs for all affiliated entities The Hospital allocates such amounts to the affiliated entities based on actual costs incurred

G. H. Ventures, Inc.
The Hospital advances funds to pay certain operating expenses for GHV which totaled approximately $383,280 and $318,000 in 2012 and 2011, respectively

Griffin Hospital Development Fund
The Hospital paid operating expenses for GHDF totaling approximately $546,936 and $498,000 in 2012 and 2011, respectively Additionally, GHDF made a transfer to the Hospital of $885,000 and $825,000 in 2012 and 2011 respectively

Griffin Pharmacy and Gifts
The Hospital advanced operating expenses for GP&G totaling approximately $387,977 and $433,000 in 2012 and 2011, respectively GP&G reimbursed the Hospital approximately $800,000 during 2011

Healthcare Alliance Insurance Company, Ltd.
The Hospital obtains professional and general liability coverage under a policy between GHSC and HAIC (note 6) Total premiums incurred for this insurance coverage in 2012 and 2011 were approximately $2,313,443 and $2,991,260, respectively The Hospital pays claims processing expenses on behalf of HAIC and is subsequently reimbursed for these expenses As of September 30, 2012 and 2011, the Hospital was due $5,169,741 and $2,574,461, respectively, from HAIC for favorable claim development net of insurance premiums due

Griffin Health Services Corporation
The Hospital paid operating expenses of approximately $3,000 for both 2012 and 2011 GHSC transferred to the Hospital approximately $120,000 and $5,315,000 in 2012 and 2011, respectively The Hospital made cash advances to GHSC of approximately $1,000,000 in 2011

Planetree, Inc.
The Hospital advanced operating expenses for Planetree totaling approximately $2,685,450 and $1,653,000 in 2012 and 2011, respectively Planetree reimbursed the Hospital approximately $2,035,121 and $1,745,000 in 2012 and 2011, respectively Planetree transferred $1,800,000 to the Hospital during 2011 which represented a return of capital

12. Pension and Other Postretirement Benefits

Pension Benefits
The Hospital sponsors a noncontributory defined benefit pension plan that covers substantially all of its employees and provides for retirement and death benefits The Hospital's policy is to fund actuarially determined pension costs as accrued

Effective May 1, 2010, credited service accruals under the retirement plans for employees of the Griffin Hospital were frozen for the April 1, 2010 to March 31, 2012 plan year Participants continue to earn vesting service during the freeze period and pay increases during the freeze period will be reflected in participant's final earnings calculation however no credited service will be earned for the period from April 1, 2010 to March 31, 2012 Effective April 1, 2012 the plan freeze was terminated and credit service accruals were reestablished at a reduced rate

The Hospital's accumulated benefit obligation was $100,786,846 and $88,758,523 at September 30, 2012 and 2011, respectively

Other Postretirement Benefits

The Hospital also provides certain health care and life insurance benefits for eligible retired employees and their dependents Substantially all of the Hospital's full-time employees may become eligible for these benefits upon retirement if certain age and service criteria are met Effective January 1, 2004, employees will need to be at least age 62 at retirement to be eligible for coverage Employees who are eligible for these benefits at the time of their retirement and who meet the requirements to receive an immediate pension plan benefit are provided continued health and life insurance coverage throughout their retirement The plan is unfunded

Pertinent information relating to these plans is as follows, based on a September 30 measurement date

	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Change in benefit obligation				
Benefit obligation at beginning of year	$ 100,960,773	$ 86,252,605	$ 7,994,095	$ 6,819,956
Service cost	1,123,268	100,000	242,639	225,851
Interest cost	4,255,880	4,228,200	350,023	330,609
Amendments	(10,194,555)	-	-	-
Actuarial loss	8,206,927	14,114,413	1,168,473	1,128,017
Benefits paid	(3,372,846)	(3,734,445)	(835,429)	(510,338)
Benefit obligation at end of year	$ 100,979,447	$ 100,960,773	$ 8,919,801	$ 7,994,095
Change in plan assets				
Fair value of plan assets at beginning of year	$ 48,539,678	$ 49,977,336	$ -	$ -
Actual return on plan assets	9,507,095	(1,353,510)		-
Employer contributions	3,880,590	3,647,297	835,429	510,338
Benefits paid	(3,372,846)	(3,734,445)	(835,429)	(510,338)
Fair value of plan assets at end of year	$ 58,554,517	$ 48,536,678	$ -	$ -
Unfunded status - recognized as a liability	$ (42,424,930)	$ (52,424,095)	$ (8,919,801)	$ (7,994,095)

Components of net periodic benefit cost are as follows

	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Service cost	$ 1,123,268	$ 100,000	$ 242,639	$ 225,851
Interest cost	4,255,880	4,228,200	350,023	330,609
Expected return on plan assets	(4,147,333)	(4,272,234)	-	-
Amortization of unrecognized prior service credit	-	-	(389,620)	(523,414)
Amortization of transition obligation	(654,432)	-	-	10,104
Net actuarial loss	4,567,849	3,308,346	337,677	301,588
Net periodic benefit cost	$ 5,145,232	$ 3,364,312	$ 540,719	$ 344,738

Amounts recognized in the consolidated balance sheets consist of

	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Current liabilities	$ -	$ -	$ 435,000	$ 525,000
Noncurrent liabilities	42,427,930	52,424,095	8,484,801	7,469,095
	$ 42,427,930	$ 52,424,095	$ 8,919,801	$ 7,994,095

Pension Plan

Amounts in consolidated unrestricted net assets that are not yet recognized as a component of net periodic benefit cost are as follows

	2012	2011
Net actuarial loss	$ 57,213,849	$ 58,934,533
	$ 57,213,849	$ 58,934,533

Other changes in plan assets and benefit obligations recognized in other changes in unrestricted net assets

	2012	2011
Net actuarial loss	$ 2,847,165	$ 19,740,157
Amortization of Actuarial loss	(4,567,849)	(3,308,346)
	$ (1,720,684)	$ 16,431,811

Expected amounts to be amortized from unrestricted net assets into net periodic benefit cost for the next fiscal year

Actuarial loss	$ 4,187,550

Post-Retirement Plan

Amounts recognized in unrestricted net assets that are not yet recognized on a component of net periodic benefit cost are as follows

	2012	2011
Net transition obligation	$ -	$ -
Net prior service credit	(502,612)	(892,232)
Net actuarial loss	5,518,248	4,687,452
	$ 5,015,636	$ 3,795,220

Other changes in plan assets and benefit obligations included in unrestricted net assets not yet recognized in periodic benefit cost are

	2012	2011
Net actuarial loss	$ 1,168,473	$ 1,128,017
Amortization of		
Transition obligation	-	(10,104)
Prior service cost	389,620	523,414
Actuarial gain	(337,677)	(301,588)
	$ 1,220,416	$ 1,339,739

Expected amounts to be amortized from unrestricted net assets into net periodic benefit cost for the next fiscal year

Transition obligation	$ -
Prior service credit	(389,620)
Actuarial loss	830,796

Actuarial assumptions are as follows

	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Weighted average assumptions used to determine year end benefit obligation				
Discount rate	3 91%	4 54%	3 91%	4 54%
Rate of compensation increase	4 00%	4 00%	N/A	N/A

	Pension Benefits		Other Benefits	
	2012	2011	2012	2011
Weighted average assumptions used to determine net periodic benefit cost				
Discount rate	4 54%	5 00%	4 54%	5 00%
Expected long-term return on plan assets	7 89%	8 50%	N/A	N/A
Rate of compensation increase	4 00%	4 00%	N/A	N/A

	Pre-65		Post-65	
	2012	2011	2012	2011
Health care cost trend rate assumed for next year	8 00%	8 00%	8 00%	8 00%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5 00%	5 00%	5 00%	5 00%
Year that the rate reaches the ultimate trend rate	2019	2018	2019	2018

A one-percentage-point change in assumed health care cost trend rates would have the following effects on

	(in 000's)	
	1-Percentage Point Increase	1-Percentage Point Decrease
Service and interest cost components	$ 23,197	$ (19,981)
Postretirement benefit obligation	200,155	(176,390)

Contributions
The Hospital expects to contribute approximately $4,908,843 to its pension plan and $435,000 to its other postretirement benefit plan in fiscal year 2013

Estimated Future Benefit Payments
The following benefit payments, which reflect expected future service, are expected to be paid as of September 30

	Pension Benefits	Other Benefits
2013	$ 3,852,000	$ 435,000
2014	4,107,000	461,000
2015	4,373,000	491,000
2016	4,703,000	546,000
2017	4,960,000	594,000
2018-2022	28,582,000	3,161,000

Pension plan assets are invested as follows

	2012	2011
Asset category		
Cash and cash equivalents	95 %	1 %
U S Large cap	-	36
U S Small cap	-	7
International equity	-	18
Alternative investment	5	-
Fixed income	-	29
Real estate	-	9
	100 %	100 %

	2012	2011
Target asset allocations		
Cash	100 %	0 %
U S Large cap	-	38
U S Small cap	-	7
International equity	-	20
Fixed income	-	25
Real estate	-	10
	100 %	100 %

The fair value of plan assets as of September 30, 2012, by asset category was as follows

(in thousands)	September 30, 2012			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Cash and cash equivalents	$ 55,293	$ -	$ -	$ 55,293
U S Large cap	-	-	-	-
U S Small cap	-	-	-	-
International equity	-	-	-	-
Alternative investments	-	-	2,619	2,619
Fixed income	643	-	-	643
Real estate mutual funds	-	-	-	-
	$ 55,936	$ -	$ 2,619	$ 58,555

The fair value of plan assets as of September 30, 2011, by asset category was as follows

(in thousands)	September 30, 2011			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Cash and cash equivalents	$ 617	$ -	$ -	$ 617
U S Large cap	17,607	-	-	17,607
U S Small cap	3,200	-	-	3,200
International equity	8,547	-	-	8,547
Fixed income	679	-	13,601	14,280
Real estate mutual funds	-	-	4,331	4,331
	$ 30,650	$ -	$ 17,932	$ 48,582

Asset Investment Strategy
The Hospital has adopted a liability driven investment ("LDI") strategy Primary focus is to minimize the volatility of the funding ratio by aligning the Plan's assets with its liabilities in terms of how both respond to interest rate changes; this is then followed by an investment objective strategy to achieve a satisfactory rate of return based on the asset allocation profile in the long term and satisfy the plan's benefit obligations, while incurring an acceptable pension cost to the sponsor in the long run. The objective will result in a prescribed asset mix between return seeking assets and a LDI bond portfolio.

13. Concentrations of Credit Risk

The Hospital grants credit without collateral to its patients, most of who are local residents and are insured under third-party payor agreements The mix in patient accounts receivable as of September 30, 2012 and 2011 before allowances for doubtful accounts, consisted of the following

	2012	2011
Medicare and Medicaid	13 %	18 %
Commercial insurance	21	17
Managed care	27	29
Self-pay patients	37	34
City Welfare	2	2
	100 %	100 %

14. Functional Expenses

The Hospital provides general health care services to residents within its geographic location Expenses relating to providing these services at September 30, 2012 and 2011 are as follows

	2012	2011
Patient care and clinical	$ 112,399,993	$ 112,943,128
General and administrative	22,465,237	18,758,730
	$ 134,865,230	$ 131,701,858

15. Endowments

The Hospital's endowment funds consist of donor restricted funds to be invested in perpetuity to provide a permanent source of income The net assets associated with endowment funds are classified and reported based on the existence or absence of donor imposed restrictions

The Hospital has interpreted the Connecticut UPMIFA statute as requiring the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary As a result of this interpretation, the Hospital classifies as permanently restricted net assets, (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Hospital in a manner consistent with the standard of prudence prescribed by UPMIFA In

accordance with UPMIFA, the Hospital considers the following factors in making a determination to appropriate or accumulate endowment funds

(1) The duration and preservation of the fund

(2) The purposes of the Hospital and the donor restricted endowment fund

(3) General economic conditions

(4) The possible effect of inflation and deflation

(5) The expected total return from income and the appreciation of investments

(6) Other resources of the Hospital

(7) The investment policies of the Hospital

Endowment net asset composition by type of fund as of September 30 is as follows

	2012		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at beginning of year	$ 772,072	$ 2,160,261	$ 2,932,333
Investment income and net depreciation (realized and unrealized)	322,207	-	322,207
Appropriation of endowment assets for expenditure for healthcare services	(5,000)	-	(5,000)
Endowment net assets at end of year	$ 1,089,279	$ 2,160,261	$ 3,249,540

	2011		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at beginning of year	$ 793,000	$ 2,160,261	$ 2,953,261
Investment income and net depreciation (realized and unrealized)	(1,478)	-	(1,478)
Appropriation of endowment assets for expenditure for healthcare services	(19,450)	-	(19,450)
Endowment net assets at end of year	$ 772,072	$ 2,160,261	$ 2,932,333

The primary long-term management objective for the Hospital's endowment funds is to maintain the permanent nature of each endowment fund, while providing a predictable, stable, and constant stream of earnings Consistent with that objective, the primary investment goal is to earn annual interest and dividends

16. Commitments and Contingencies

The Hospital is involved in various legal matters arising in the normal course of activities Although the ultimate outcome is not determinable at this time, management, after taking into consideration advice of legal counsel, believes that the resolution of these pending matters will not have a material adverse effect, individually or in the aggregate, upon the consolidated financial statements

17. Subsequent Events

On March 28, 2013 the Hospital entered into an agreement to transfer its malpractice loss portfolio to an insurance company by making a one time payment of $7,400,000 The loss portfolio transfer effectively transfers the liabilities and subsequent risk to a third party insurer As a result of the transaction, cash of $3,900,000 was freed up and transferred from HAIC to the Hospital

Consolidating Information

pwc

Report of Independent Auditors on Accompanying Consolidating Information

To the Board of Trustees of
The Griffin Hospital

The report on our audits of the consolidated financial statements of The Griffin Hospital and Subsidiary as of September 30, 2012 and 2011 and for the years then ended appears on page 1 of this document Those audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual companies Accordingly, we do not express an opinion on the financial position and results of operations of the individual companies However, the consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole

PricewaterhouseCoopers LLP

April 18, 2013

The Griffin Hospital and Subsidiary
Consolidating Balance Sheet
September 30, 2012

	The Griffin Hospital	Griffin Faculty Practice Plan	Eliminations	Total
Assets				
Current assets				
Cash and cash equivalents	$ 8,071,213	$ 96,204	$ -	$ 8,167,417
Investments	5,371,978	-	-	5,371,978
Assets limited as to use	700,398	-	-	700,398
Patient accounts receivable, net	12,754,987	355,558	-	13,110,545
Other current assets	5,557,652	108,017	-	5,665,669
Total current assets	32,456,228	559,779	-	33,016,007
Assets limited as to use				
Board-designated investments	10,001	-	-	10,001
Under indenture agreement	4,288,627	-	-	4,288,627
Total assets limited as to use	4,298,628	-	-	4,298,628
Long-term investments	1,147,841	-	-	1,147,841
Property, plant and equipment, net	59,966,717	359,003	-	60,325,720
Interest in net assets of affiliate	5,952,786	-	-	5,952,786
Due from affiliates	7,998,375	-	-	7,998,375
Investment in affiliate	611,099	-	(611,099)	-
Estimated third party settlements, long-term	1,203,411	-	-	1,203,411
Beneficial interest in trusts	3,650,093	-	-	3,650,093
Other long-term assets and insurance recoverable	12,635,039	-	-	12,635,039
	93,165,361	359,003	(611,099)	92,913,265
Total assets	$ 129,920,217	$ 918,782	$ (611,099)	$ 130,227,900

The Griffin Hospital and Subsidiary
Consolidating Balance Sheet
September 30, 2012

	The Griffin Hospital	Griffin Faculty Practice Plan	Eliminations	Total
Liabilities and Net (Deficit) Assets				
Current liabilities				
Current portion of long-term debt and capital lease obligations	$ 6,418,425	$ -	$ -	$ 6,418,425
Accounts payable	20,044,364	157,140	-	20,201,504
Accrued expenses	8,256,192	150,543	-	8,406,735
Accrued interest payable	347,111	-	-	347,111
Deferred revenue	40,179	-	-	40,179
Due to affiliates	196,466	-	-	196,466
Accrued postretirement benefit liability	435,000	-	-	435,000
Total current liabilities	35,737,737	307,683	-	36,045,420
Estimated third party settlements, long term	3,179,514	-	-	3,179,514
Professional and general liability loss reserves	10,488,070	-	-	10,488,070
Workers compensation loss reserves, net of current portion	2,108,091	-	-	2,108,091
Accrued pension liability	42,427,930	-	-	42,427,930
Accrued postretirement benefit liability, net of current portion	8,484,801	-	-	8,484,801
Conditional asset retirement obligations	119,709	-	-	119,709
Long-term debt, net of current portion	46,957,600	-	-	46,957,600
Capital leases, net of current portion	1,299,057	-	-	1,299,057
Interest rate swap agreements	9,153,353	-	-	9,153,353
Total liabilities	159,955,862	307,683	-	160,263,545
Net (deficit) assets				
Unrestricted operating	13,419,944	611,099	(611,099)	13,419,944
Cumulative unrecognized pension changes	(51,468,946)	-	-	(51,468,946)
Total unrestricted	(38,049,002)	611,099	(611,099)	(38,049,002)
Temporarily restricted	2,203,003	-	-	2,203,003
Permanently restricted	5,810,354	-	-	5,810,354
Total net (deficit) assets	(30,035,645)	611,099	(611,099)	(30,035,645)
Total liabilities and net (deficit) assets	$ 129,920,217	$ 918,782	$ (611,099)	$ 130,227,900

The Griffin Hospital and Subsidiary
Consolidating Balance Sheet
September 30, 2011

	The Griffin Hospital	Griffin Faculty Practice Plan	Eliminations	Total
Assets				
Current assets				
Cash and cash equivalents	$ 5,513,612	$ 94,140	$ -	$ 5,607,752
Investments	7,625,803	-	-	7,625,803
Assets limited as to use	704,176	-	-	704,176
Patient accounts receivable, net	17,025,431	274,761	-	17,300,192
Other current assets	6,294,570	98,028	-	6,392,598
Total current assets	37,163,592	466,929	-	37,630,521
Assets limited as to use				
Board-designated investments	31,384	-	-	31,384
Under indenture agreement	4,288,799	-	-	4,288,799
Total assets limited as to use	4,320,183	-	-	4,320,183
Long-term investments	1,030,970	-	-	1,030,970
Property, plant and equipment, net	62,082,187	202,749	-	62,284,936
Interest in net assets of affiliate	5,415,314	-	-	5,415,314
Due from affiliates	5,411,702	-	-	5,411,702
Investment in affiliate	374,891	-	(374,891)	-
Estimated third party settlements, long-term	457,830	-	-	457,830
Beneficial interest in trusts	3,367,120	-	-	3,367,120
Other long-term assets and insurance recoverable	12,654,401	-	-	12,654,401
	90,794,415	202,749	(374,891)	90,622,273
Total assets	$ 132,278,190	$ 669,678	$ (374,891)	$ 132,572,977

The Griffin Hospital and Subsidiary
Consolidating Balance Sheet
September 30, 2011

	The Griffin Hospital	Griffin Faculty Practice Plan	Eliminations	Total
Liabilities and Net (Deficit) Assets				
Current liabilities				
Current portion of long-term debt and capital lease obligations	$ 6,380,271	$ -	$ -	$ 6,380,271
Accounts payable	19,696,544	128,993	-	19,825,537
Accrued expenses	6,939,306	165,794	-	7,105,100
Accrued interest payable	365,713	-	-	365,713
Deferred revenue	33,048	-	-	33,048
Due to affiliates	67,621	-	-	67,621
Accrued postretirement benefit liability	525,000	-	-	525,000
Total current liabilities	34,007,503	294,787	-	34,302,290
Estimated third party settlements, long term	1,203,129	-	-	1,203,129
Professional and general liability loss reserves	10,493,026	-	-	10,493,026
Workers compensation loss reserves, net of current portion	1,514,632	-	-	1,514,632
Accrued pension liability	52,424,095	-	-	52,424,095
Accrued postretirement benefit liability, net of current portion	7,469,095	-	-	7,469,095
Conditional asset retirement obligations	125,216	-	-	125,216
Long-term debt, net of current portion	48,524,613	-	-	48,524,613
Capital leases, net of current portion	3,205,611	-	-	3,205,611
Interest rate swap agreements	7,973,902	-	-	7,973,902
Total liabilities	166,940,822	294,787	-	167,235,609
Net (deficit) assets				
Unrestricted operating	20,659,590	374,891	(374,891)	20,659,590
Cumulative unrecognized pension changes	(62,729,753)	-	-	(62,729,753)
Total unrestricted	(42,070,163)	374,891	(374,891)	(42,070,163)
Temporarily restricted	1,880,150	-	-	1,880,150
Permanently restricted	5,527,381	-	-	5,527,381
Total net (deficit) assets	(34,662,632)	374,891	(374,891)	(34,662,632)
Total liabilities and net (deficit) assets	$ 132,278,190	$ 669,678	$ (374,891)	$ 132,572,977

The Griffin Hospital and Subsidiary
Consolidating Statement of Operations
September 30, 2012

	The Griffin Hospital	Griffin Faculty Practice Plan	Eliminations	Total
Operating revenues				
Net patient service revenue	$ 121,061,315	$ 2,919,092	$ -	$ 123,980,407
Other operating revenue	5,743,384	772,102	(772,102)	5,743,384
Net assets released from restrictions for operations	5,000	-	-	5,000
Total operating revenues	126,809,699	3,691,194	(772,102)	129,728,791
Operating expenses				
Employee compensation and related expenses	72,639,969	3,603,994	-	76,243,963
Supplies and other expenses	46,867,207	2,714,489	(772,102)	48,809,594
Depreciation	5,913,216	86,759	-	5,999,975
Interest	2,709,709	-	-	2,709,709
Provision for doubtful accounts, net of recoveries	985,612	116,377	-	1,101,989
Total operating expenses	129,115,713	6,521,619	(772,102)	134,865,230
Gain (loss) from operations	(2,306,014)	(2,830,425)	-	(5,136,439)
Nonoperating gains (losses)				
Investment income	998,665	-	-	998,665
Change in fair value of interest rate swaps	(2,523,551)	-	-	(2,523,551)
Research grant revenues	2,234,902	-	-	2,234,902
Research grant expenses	(2,259,698)	-	-	(2,259,698)
	(1,549,682)	-	-	(1,549,682)
Deficiency of revenues over expenses	(3,855,696)	(2,830,425)	-	(6,686,121)
Change in interest in net assets of affiliate	567,699	-	(236,208)	331,491
Transfers between affiliates	(2,731,234)	3,066,634		335,400
Pension and other post-retirement related changes other than net periodic benefit cost	10,040,391	-	-	10,040,391
Increase (decrease) in unrestricted net assets	$ 4,021,160	$ 236,209	$ (236,208)	$ 4,021,161

The Griffin Hospital and Subsidiary
Consolidating Statement of Operations
Year Ended September 30, 2011

	The Griffin Hospital	Griffin Faculty Practice Plan	Eliminations	Total
Operating revenues				
Net patient service revenue	$ 121,998,344	$ 2,693,057	$ -	$ 124,691,401
Other operating revenue	5,999,588	819,206	(717,206)	6,101,588
Net assets released from restrictions for operations	27,869	-	-	27,869
Total operating revenues	128,025,801	3,512,263	(717,206)	130,820,858
Operating expenses				
Employee compensation and related expenses	70,585,175	3,138,011	-	73,723,186
Supplies and other expenses	43,868,190	2,542,471	(717,206)	45,693,455
Depreciation	5,747,143	90,752	-	5,837,895
Interest	2,618,102	-	-	2,618,102
Provision for doubtful accounts, net of recoveries	3,349,408	111,648	-	3,461,056
Total operating expenses	126,168,018	5,882,882	(717,206)	131,333,694
Gain (loss) from operations	1,857,783	(2,370,619)	-	(512,836)
Nonoperating gains (losses)				
Investment income	218,353	-	-	218,353
Change in fair value of interest rate swaps	(2,527,906)	-	-	(2,527,906)
Research grant revenues	2,414,954	-	-	2,414,954
Research grant expenses	(2,141,922)	-	-	(2,141,922)
	(2,036,521)	-	-	(2,036,521)
Deficiency of revenues over expenses	(178,738)	(2,370,619)	-	(2,549,357)
Change in interest in net assets of affiliate	47,054	-	(51,775)	(4,721)
Transfers between affiliates	799,271	2,422,394	-	3,221,665
Pension and other post-retirement related changes other than net periodic benefit cost	(17,771,550)	-	-	(17,771,550)
(Decrease) increase in unrestricted net assets	$ (17,103,963)	$ 51,775	$ (51,775)	$ (17,103,963)