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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  
**2012**  
**Open to Public Inspection**

**A For the 2012 calendar year, or tax year beginning 01-01-2012, 2012, and ending 12-31-2012**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization Maimonides Medical Center	<b>D</b> Employer identification number 11-1635081
	Doing Business As	<b>E</b> Telephone number (718) 283-3900
	Number and street (or P O box if mail is not delivered to street address) Room/suite 4802 Tenth Avenue Suite	
City or town, state or country, and ZIP + 4 Brooklyn, NY 11219		<b>G</b> Gross receipts \$ 1,018,834,293
<b>F</b> Name and address of principal officer PAMELA S BRIER 4802 TENTH AVENUE BROOKLYN, NY 11219		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) <b>H(c)</b> Group exemption number ▶

**I** Tax-exempt status  501(c)(3)  501(c) ( ) (Insert no )  4947(a)(1) or  527

**J Website:** ▶ www.maimonidesmed.org

**K** Form of organization  Corporation  Trust  Association  Other ▶

**L** Year of formation 1945 **M** State of legal domicile NY

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities Maimonides Medical Center, a 711-bed acute care voluntary, not-for PROFIT HOSPITAL, OFFERS A WIDE ARRAY OF INPATIENT AND OUTPATIENT HEALTHCARE SERVICES See Schedule O		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	33
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	30
	<b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a)	<b>5</b>	6,951
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	1,660
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	-130,645
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	-130,645	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b>	<b>Current Year</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	20,565,009	18,680,758
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	970,399,141	983,916,591
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	10,017,220	10,098,851
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	812,564	4,667,830
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,001,793,934	1,017,364,030
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	428,374	514,117
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	629,440,346	658,524,513
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶163,865	49,000	0
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	377,066,560	350,976,947
	<b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,006,984,280	1,010,015,577
<b>19</b> Revenue less expenses Subtract line 18 from line 12	-5,190,346	7,348,453	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	<b>Beginning of Current Year</b>	<b>End of Year</b>
	<b>21</b> Total liabilities (Part X, line 26)	970,174,815	1,008,285,010
	<b>22</b> Net assets or fund balances Subtract line 21 from line 20	791,952,793	814,769,380
		178,222,022	193,515,630

**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

<b>Sign Here</b>	Signature of officer		2013-11-11		
	ROBERT NALDI EVP FINANCE & CFO		Date		
Type or print name and title					
<b>Paid Preparer Use Only</b>	Prnt/Type preparer's name	Preparer's signature	Date 2013-11-11	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶ ERNST & YOUNG US LLP			Firm's EIN ▶	
	Firm's address ▶ 111 MONUMENT CIRCLE STE 2600 INDIANAPOLIS, IN 46204			Phone no (317) 681-7000	

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  Yes  No

**1** Briefly describe the organization's mission

SEE SCHEDULE O

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  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 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 \$ 667,687,661 including grants of \$ 0 ) (Revenue \$ 636,786,050 )  
INPATIENT SERVICES This is further described in Schedule O

**4b** (Code ) (Expenses \$ 57,244,196 including grants of \$ 0 ) (Revenue \$ 41,545,712 )  
MATERNITY SERVICES This is further described in SCHEDULE O

**4c** (Code ) (Expenses \$ 61,669,781 including grants of \$ 0 ) (Revenue \$ 45,264,724 )  
EMERGENCY DEPARTMENT This is further described in Schedule O

**4d** Other program services (Describe in Schedule O )  
(Expenses \$ 88,387,322 including grants of \$ 514,117 ) (Revenue \$ 260,320,105 )

**4e Total program service expenses** 874,988,960

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> 	Yes	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? 	Yes	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> 		No
<b>4 Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> 	Yes	
<b>5</b> 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? <i>If "Yes," complete Schedule C, Part III</i> 		No
<b>6</b> 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? <i>If "Yes," complete Schedule D, Part I</i> 		No
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> 		No
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 		No
<b>9</b> Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> 		No
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 	Yes	
<b>11</b> 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		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> 	Yes	
<b>b</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? <i>If "Yes," complete Schedule D, Part VII</i> 		No
<b>c</b> 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? <i>If "Yes," complete Schedule D, Part VIII</i> 	Yes	
<b>d</b> 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? <i>If "Yes," complete Schedule D, Part IX</i> 	Yes	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> 	Yes	
<b>f</b> 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)? <i>If "Yes," complete Schedule D, Part X</i> 		No
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> 	Yes	
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> 		No
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		No
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?	Yes	
<b>b</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? <i>If "Yes," complete Schedule F, Parts I and IV</i> 	Yes	
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i> 		No
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i> 		No
<b>17</b> 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? <i>If "Yes," complete Schedule G, Part I (see instructions)</i> 		No
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> 	Yes	
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> 		No
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> 	Yes	
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? 	Yes	

**Part IV Checklist of Required Schedules** (continued)

<b>21</b>	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	<b>21</b>	Yes	
<b>22</b>	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	<b>22</b>		No
<b>23</b>	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .	<b>23</b>	Yes	
<b>24a</b>	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i> . . . . .	<b>24a</b>	Yes	
<b>b</b>	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	<b>24b</b>	Yes	
<b>c</b>	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	<b>24c</b>		No
<b>d</b>	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	<b>24d</b>		No
<b>25a</b>	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	<b>25a</b>		No
<b>b</b>	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	<b>25b</b>		No
<b>26</b>	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> . . . . .	<b>26</b>		No
<b>27</b>	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	<b>27</b>		No
<b>28</b>	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)			
<b>a</b>	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28a</b>		No
<b>b</b>	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28b</b>		No
<b>c</b>	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	<b>28c</b>	Yes	
<b>29</b>	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	<b>29</b>	Yes	
<b>30</b>	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	<b>30</b>		No
<b>31</b>	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	<b>31</b>		No
<b>32</b>	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	<b>32</b>		No
<b>33</b>	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	<b>33</b>		No
<b>34</b>	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> . . . . .	<b>34</b>	Yes	
<b>35a</b>	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	<b>35a</b>	Yes	
<b>b</b>	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	<b>35b</b>	Yes	
<b>36</b>	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	<b>36</b>		No
<b>37</b>	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .	<b>37</b>		No
<b>38</b>	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	<b>38</b>	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
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable . . . . .		
<b>1b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable . . . . .		
<b>1c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	Yes	
<b>2a</b>	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 . . . . .		
<b>2b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions) . . . . .	Yes	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year? . . . . .	Yes	
<b>3b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .	Yes	
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .		No
<b>b</b>	If "Yes," enter the name of the foreign country <input type="checkbox"/> _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts . . . . .		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .		No
<b>5b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .		No
<b>5c</b>	If "Yes," to line 5a or 5b, did the organization file Form 8886-T? . . . . .		
<b>6a</b>	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 as charitable contributions? . . . . .		No
<b>6b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .		
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	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? . . . . .	Yes	
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	Yes	
<b>7c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .		No
<b>7d</b>	If "Yes," indicate the number of Forms 8282 filed during the year . . . . .		
<b>7e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .		No
<b>7f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .		No
<b>7g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? . . . . .		
<b>7h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? . . . . .		
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .		
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>9a</b>	Did the organization make any taxable distributions under section 4966? . . . . .		
<b>9b</b>	Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter		
<b>10a</b>	Initiation fees and capital contributions included on Part VIII, line 12 . . . . .		
<b>10b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . . . .		
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter		
<b>11a</b>	Gross income from members or shareholders . . . . .		
<b>11b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . . . .		
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? . . . . .		
<b>12b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . . .		
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>13a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O . . . . .		
<b>13b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans . . . . .		
<b>13c</b>	Enter the amount of reserves on hand . . . . .		
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year? . . . . .		No
<b>14b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . . . .		

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 . . . . . [X]

Section A. Governing Body and Management

Table with columns for question number, description, and Yes/No responses. Includes questions 1a, 1b, 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, and 9.

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

Table with columns for question number, description, and Yes/No responses. Includes questions 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, and 16b.

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed NY
18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization.
ROBERT NALDI EXEC VP CFO 4802 TENTH AVENUE BROOKLYN, NY (718) 283-3900





**Part VIII Statement of Revenue**

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

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . . <b>1a</b>					
	<b>b</b> Membership dues . . . . . <b>1b</b>					
	<b>c</b> Fundraising events . . . . . <b>1c</b>	449,795				
	<b>d</b> Related organizations . . . . . <b>1d</b>	475,289				
	<b>e</b> Government grants (contributions) <b>1e</b>	15,552,886				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above <b>1f</b>	2,202,788				
	<b>g</b> Noncash contributions included in lines 1a-1f \$	1,155,845				
	<b>h Total.</b> Add lines 1a-1f . . . . .	18,680,758				
<b>Program Service Revenue</b>	<b>2a</b> PATIENT SERVICE REV-NET OF BAD DEBT	621110	973,613,623	973,613,623		
	<b>b</b> MEANINGFUL USE EHR	900099	6,066,366	6,066,366		
	<b>c</b> RENTAL INCOME	531390	4,236,602	4,236,602		
	<b>d</b>					
	<b>e</b>					
	<b>f</b> All other program service revenue					
	<b>g Total.</b> Add lines 2a-2f . . . . .		983,916,591			
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .		2,791,983		2,791,983	
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .		0			
	<b>5</b> Royalties . . . . .		0			
	<b>6a</b> Gross rents	(i) Real	715,709			
		(ii) Personal				
		<b>b</b> Less rental expenses	846,354			
		<b>c</b> Rental income or (loss)	-130,645			0
	<b>d</b> Net rental income or (loss) . . . . .		-130,645		-130,645	
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	29,779			
		(ii) Other		7,277,089		
		<b>b</b> Less cost or other basis and sales expenses				
		<b>c</b> Gain or (loss)	29,779			7,277,089
	<b>d</b> Net gain or (loss) . . . . .		7,306,868		7,306,868	
	<b>8a</b> Gross income from fundraising events (not including \$ 449,795 of contributions reported on line 1c) See Part IV, line 18 . . . . .	<b>a</b>				
	<b>b</b> Less direct expenses . . . . . <b>b</b>		341,420			
<b>c</b> Net income or (loss) from fundraising events . . . . .		623,909				
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .	<b>a</b>					
<b>b</b> Less direct expenses . . . . . <b>b</b>						
<b>c</b> Net income or (loss) from gaming activities . . . . .			0			
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>					
	<b>b</b> Less cost of goods sold . . . . . <b>b</b>					
	<b>c</b> Net income or (loss) from sales of inventory . . . . .			0		
Miscellaneous Revenue	Business Code					
<b>11a</b> PARKING	812930	436,106			436,106	
<b>b</b> CAFETERIA	722514	992,858			992,858	
<b>c</b> MEDICAL RESIDENTS FICA REFUND	900099	3,652,000			3,652,000	
<b>d</b> All other revenue . . . . .						
<b>e Total.</b> Add lines 11a-11d . . . . .		5,080,964				
<b>12 Total revenue.</b> See Instructions . . . . .		1,017,364,030	983,916,591	-130,645	14,897,326	

**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)

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

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>		<b>(A)</b> Total expenses	<b>(B)</b> Program service expenses	<b>(C)</b> Management and general expenses	<b>(D)</b> Fundraising expenses
<b>1</b>	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	514,117	514,117		
<b>2</b>	Grants and other assistance to individuals in the United States. See Part IV, line 22	0			
<b>3</b>	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	0			
<b>4</b>	Benefits paid to or for members	0			
<b>5</b>	Compensation of current officers, directors, trustees, and key employees	3,929,245	26,500	3,902,745	
<b>6</b>	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
<b>7</b>	Other salaries and wages	501,654,961	440,569,002	60,968,340	117,619
<b>8</b>	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	48,213,243	42,539,114	5,662,773	11,356
<b>9</b>	Other employee benefits	70,304,945	61,428,576	8,859,970	16,399
<b>10</b>	Payroll taxes	34,422,119	30,043,184	4,378,935	
<b>11</b>	Fees for services (non-employees)				
<b>a</b>	Management	1,908,325		1,908,325	
<b>b</b>	Legal	2,495,144		2,495,144	
<b>c</b>	Accounting	317,867		317,867	
<b>d</b>	Lobbying	252,594	252,594		
<b>e</b>	Professional fundraising services. See Part IV, line 17	0			
<b>f</b>	Investment management fees	326,932		326,932	
<b>g</b>	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	35,149,498	22,704,107	12,445,391	
<b>12</b>	Advertising and promotion	3,141,252	3,141,252		
<b>13</b>	Office expenses	14,144,513	12,152,561	1,991,952	
<b>14</b>	Information technology	11,520,425	9,898,020	1,622,405	
<b>15</b>	Royalties	0			
<b>16</b>	Occupancy	26,388,636	22,672,362	3,716,274	
<b>17</b>	Travel	487,901	425,834	62,067	
<b>18</b>	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
<b>19</b>	Conferences, conventions, and meetings	1,049,343	915,853	133,490	
<b>20</b>	Interest	11,013,000	11,013,000		
<b>21</b>	Payments to affiliates	0			
<b>22</b>	Depreciation, depletion, and amortization	50,201,358	43,131,572	7,069,786	
<b>23</b>	Insurance	37,145,567	35,310,892	1,834,675	
<b>24</b>	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
<b>a</b>	MEDICAL EXPENSES	111,151,710	111,151,710		
<b>b</b>	MAINTENANCE CONTRACTS	15,760,449	13,540,927	2,219,522	
<b>c</b>	OUTSIDE CONTRACTS	10,382,273	8,920,152	1,462,121	
<b>d</b>	BILLING FEES	6,149,533		6,149,533	
<b>e</b>	All other expenses	11,990,627	4,637,631	7,334,505	18,491
<b>25</b>	<b>Total functional expenses.</b> Add lines 1 through 24e	1,010,015,577	874,988,960	134,862,752	163,865
<b>26</b>	<b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

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

		(A)		(B)
		Beginning of year		End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	19,463,234	<b>1</b>	284,738
	<b>2</b> Savings and temporary cash investments . . . . .	123,017,804	<b>2</b>	143,367,451
	<b>3</b> Pledges and grants receivable, net . . . . .	694,144	<b>3</b>	829,295
	<b>4</b> Accounts receivable, net . . . . .	131,916,057	<b>4</b>	141,247,000
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .	0	<b>5</b>	0
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L . . . . .	0	<b>6</b>	0
	<b>7</b> Notes and loans receivable, net . . . . .	2,624,902	<b>7</b>	2,874,803
	<b>8</b> Inventories for sale or use . . . . .	8,851,064	<b>8</b>	9,271,069
	<b>9</b> Prepaid expenses and deferred charges . . . . .	6,776,141	<b>9</b>	7,179,611
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	974,322,233		
	<b>b</b> Less: accumulated depreciation . . . . .	626,765,064	<b>10c</b>	347,557,169
	<b>11</b> Investments—publicly traded securities . . . . .	29,269,824	<b>11</b>	30,487,472
	<b>12</b> Investments—other securities. See Part IV, line 11 . . . . .	0	<b>12</b>	0
	<b>13</b> Investments—program-related. See Part IV, line 11 . . . . .	69,108,026	<b>13</b>	75,971,786
	<b>14</b> Intangible assets . . . . .	0	<b>14</b>	0
	<b>15</b> Other assets. See Part IV, line 11 . . . . .	237,499,339	<b>15</b>	249,214,616
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	970,174,815	<b>16</b>	1,008,285,010	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	136,391,369	<b>17</b>	156,577,138
	<b>18</b> Grants payable . . . . .	0	<b>18</b>	0
	<b>19</b> Deferred revenue . . . . .	0	<b>19</b>	0
	<b>20</b> Tax-exempt bond liabilities . . . . .	179,712,653	<b>20</b>	207,986,108
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .	0	<b>21</b>	0
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .	0	<b>22</b>	0
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .	18,408,000	<b>23</b>	15,976,143
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .	0	<b>24</b>	0
	<b>25</b> 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 . . . . .	457,440,771	<b>25</b>	434,229,991
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	791,952,793	<b>26</b>	814,769,380
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	162,652,388	<b>27</b>	178,479,940
	<b>28</b> Temporarily restricted net assets . . . . .	14,437,351	<b>28</b>	13,903,407
	<b>29</b> Permanently restricted net assets . . . . .	1,132,283	<b>29</b>	1,132,283
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
<b>33</b> Total net assets or fund balances . . . . .	178,222,022	<b>33</b>	193,515,630	
<b>34</b> Total liabilities and net assets/fund balances . . . . .	970,174,815	<b>34</b>	1,008,285,010	

**Part XI Reconciliation of Net Assets**

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

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	1,017,364,030
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	1,010,015,577
<b>3</b>	Revenue less expenses Subtract line 2 from line 1	<b>3</b>	7,348,453
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	178,222,022
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	-514,000
<b>6</b>	Donated services and use of facilities	<b>6</b>	-1,155,845
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	9,615,000
<b>10</b>	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	193,515,630

**Part XII Financial Statements and Reporting**

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

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

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 11-1635081  
**Name:** Maimonides Medical Center

**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 (list any hours for related organizations below dotted line)	(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			
John Abi-Habib Trustee	5 0 0	X								
Paul Addison Trustee & Treasurer	5 0 0	X								
Steven Adelsberg Trustee	5 0 0	X								
Donna Aston MD Trustee	5 0 0	X								
Abraham Biderman Trustee through march 2012	5 0 0	X								
Irwin Birnbaum Trustee	5 0 0	X								
Monsignor David Cassato Trustee	5 0 0	X								
DAVID DIAMOND MD TRUSTEE AS OF JANUARY 2012	5 0 0	X								
RICHARD FORMAN Trustee	5 0 0	X								
MARVIN HELLMAN Trustee	5 0 0	X								
JACK A HIDARY TRUSTEE	5 0 0	X								
Mortimer N Klaus vice chairman/TRUSTEE	5 0 0	X								
Elly Kleinman Trustee	5 0 0	X								
andrew kohen trustee	5 0 0	X								
c herbert leshkowitz vice chairman/TRUSTEE	5 0 0	X								
Robert Machinist trustee	5 0 0	X								
Frank Naccarato TRUSTEE	5 0 0	X								
Daniel Z Nelson Trustee & Vice Chairman	5 0 0	X								
Norman A Ohrwassel trustee (through may 2012)	5 0 0	X								
Steven Oppenheim Trustee	5 0 0	X								
Martin Payson Trustee & Chairman	5 0 0	X								
Peter Rebenwuzel TRUSTEE	5 0 0	X								
Erminia Rivera Trustee	5 0 0	X								
ALEX ROVT PHD TRUSTEE AS OF MAY 2012	5 0 0	X								
VERONICA SANTILLI MD trustee	5 0 0	X								

**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 (list any hours for related organizations below dotted line)	(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				
ALFRED SCHONBERGER TRUSTEE	5 0 0	X									
STEVEN R SHAMAH TRUSTEE & VICE CHAIRMAN	5 0 0	X									
AL SUTTON trustee (deceased june 2013)	5 0 0	X									
ISAAC M SUTTON TRUSTEE	5 0 0	X									
AARON D TWERSKI TRUSTEE	5 0 0	X									
HOWARD WEISS TRUSTEE	5 0 0	X									
MOSHE H WIEDER TRUSTEE & SECRETARY	5 0 0	X									
HERBERT WOLFF TRST & HON chaIR(thru may '12)	5 0 0	X									
MICHAEL L ZIEGLER ESQ TRUSTEE	5 0 0	X									
HERBERT WASSERMAN MD PRES MED STAFF THRU 6/12	40 0 0 0	X		X				26,500	0	0	
EDWARD FITZPATRICK MD TRST & PRES MED STF FROM 7/12	40 0 0 0	X		X				50,223	0	2,927	
PAMELA BRIER TRUSTEE, PRESIDENT & CEO	40 0 0 0	X		X				1,337,503	0	232,307	
DOMINICK STANZIONE EXECUTIVE VICE PRES & COO	40 0 0 0			X				775,032	0	193,365	
ROBERT NALDI EXECUTIVE VICE PRES & CFO	40 0 0 0			X				681,934	0	148,302	
JOYCE LEAHY SVP FOR LEGAL	40 0 0 0			X				422,972	0	58,180	
ENRICO ASCHER MD FMR DIR OF VASCULAR SURGERY	40 0 0 0					X		1,219,265	0	17,564	
PATRICK BORGEM MD CHAIRMAN, DEPT OF SURGERY	40 0 0 0					X		1,832,976	0	40,365	
ISRAEL JACOBOWITZ MD ATTENDING, CARDIOTHORACIC SURG	40 0 0 0					X		1,293,965	0	23,630	
AMIT SCHWARTZ MD CHIEF, NEUROSURGERY	40 0 0 0					X		1,284,825	0	50,788	
JACK CHOUEKA MD CHAIRMAN, ORTHOPEDICS	40 0 0 0					X		1,081,498	0	37,365	

**SCHEDULE A**  
(Form 990 or 990EZ)

**Public Charity Status and Public Support**

OMB No 1545-0047

**2012**

**Open to Public Inspection**

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.

Name of the organization  
Maimonides Medical Center

Employer identification number  
11-1635081

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

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

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E )
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II )
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II )
- 8  A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 9  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III )
- 10  An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h  
 a  Type I b  Type II c  Type III - Functionally integrated d  Type III - Non-functionally integrated
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f  If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?  
 (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?  
 (ii) A family member of a person described in (i) above?  
 (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s)

	Yes	No
<b>11g(i)</b>		
<b>11g(ii)</b>		
<b>11g(iii)</b>		

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

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add lines 1 through 3						
<b>5</b> 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)						
<b>6 Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>7</b> Amounts from line 4						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
<b>11 Total support</b> (Add lines 7 through 10)						
<b>12</b> Gross receipts from related activities, etc (see instructions)					<b>12</b>	
<b>13 First five years.</b> 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 <b>stop here</b> . . . . . ▶						

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	<b>14</b>	
<b>15</b> Public support percentage for 2011 Schedule A, Part II, line 14	<b>15</b>	
<b>16a 33 1/3% support test—2012.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization ▶		
<b>b 33 1/3% support test—2011.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization ▶		
<b>17a 10%-facts-and-circumstances test—2012.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶		
<b>b 10%-facts-and-circumstances test—2011.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶		

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> 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						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</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						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support</b> (Subtract line 7c from line 6)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						
<b>14 First five years.</b> 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 <b>stop here</b> <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	
<b>16</b> Public support percentage from 2011 Schedule A, Part III, line 15	<b>16</b>	

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for <b>2012</b> (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	
<b>18</b> Investment income percentage from <b>2011</b> Schedule A, Part III, line 17	<b>18</b>	

- 19a 33 1/3% support tests—2012.** 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—2011.** 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.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

<b>Facts And Circumstances Test</b>
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<b>Explanation</b>

SCHEDULE C (Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

2012

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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.

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

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

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

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

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

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

Table with 2 columns: Name of the organization (Maimonides Medical Center) and Employer identification number (11-1635081)

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

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

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

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

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

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities \$
2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities \$
3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b \$
4 Did the filing organization file Form 1120-POL for this year? Yes No
5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments

Table with 5 columns: (a) Name, (b) Address, (c) EIN, (d) Amount paid from filing organization's funds, (e) Amount of political contributions received and promptly and directly delivered to a separate political organization

**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

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
<b>1a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying)														
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying)														
<b>c</b> Total lobbying expenditures (add lines 1a and 1b)														
<b>d</b> Other exempt purpose expenditures														
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d)														
<b>f</b> Lobbying nontaxable amount Enter the amount from the following table in both columns														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 65%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000													
Over \$17,000,000	\$1,000,000													
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f)														
<b>h</b> Subtract line 1g from line 1a If zero or less, enter -0-														
<b>i</b> Subtract line 1f from line 1c If zero or less, enter -0-														
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes	<input type="checkbox"/> No												

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

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

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

	(a)		(b)
	Yes	No	Amount
<b>1</b> 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			
<b>a</b> Volunteers?		No	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
<b>c</b> Media advertisements?		No	
<b>d</b> Mailings to members, legislators, or the public?		No	
<b>e</b> Publications, or published or broadcast statements?		No	
<b>f</b> Grants to other organizations for lobbying purposes?		No	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
<b>i</b> Other activities?	Yes		252,594
<b>j</b> Total Add lines 1c through 1i			252,594
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
<b>d</b> 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
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members?	<b>1</b>	
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?	<b>2</b>	
<b>3</b> Did the organization agree to carry over lobbying and political expenditures from the prior year?	<b>3</b>	

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

<b>1</b> Dues, assessments and similar amounts from members	<b>1</b>	
<b>2</b> Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
<b>a</b> Current year	<b>2a</b>	
<b>b</b> Carryover from last year	<b>2b</b>	
<b>c</b> Total	<b>2c</b>	
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	<b>3</b>	
<b>4</b> 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?	<b>4</b>	
<b>5</b> Taxable amount of lobbying and political expenditures (see instructions)	<b>5</b>	

**Part IV Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, line 2, and Part II-B, line 1. Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORMATION PART II-B	PART II-B, LINE 1I	Other activities PAYMENTS MADE TO LOBBYISTS \$135,569 LOBBYING PORTION OF DUES PAID \$117,025 ----- TOTAL \$252,594 PAYMENTS MADE TO LOBBYISTS WERE IN RELATION TO CAPITAL FUNDING FOR HOSPITAL EQUIPMENT AND AMBULANCES, AS WELL AS MODIFICATION TO LARGE SCALE COMMUNITY DEVELOPMENT

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2012

Open to Public Inspection

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization Maimonides Medical Center

Employer identification number 11-1635081

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.

Table with 3 columns: (a) Donor advised funds, (b) Funds and other accounts, and a Yes/No column. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and questions about donor advisement and grant fund usage.

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

Table with 2 columns: Description and Held at the End of the Year. Rows include purpose(s) of easements, total acreage, number of easements on historic structures, and monitoring expenses.

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.

Table with 2 columns: Description and Amount. Rows include questions about reporting works of art, historical treasures, or other similar assets held for public exhibition, education, or research.

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

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

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

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

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 XIII and complete the following table

Table with 2 columns: Description (1c-1f) and Amount

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

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

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

Table with 6 columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows include 1a-1g.

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

- a Board designated or quasi-endowment 0%
b Permanent endowment 8.000%
c Temporarily restricted endowment 92.000%
The percentages in lines 2a, 2b, and 2c should equal 100%

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

Table with 2 columns: Yes, No. Rows for 3a(i) unrelated organizations, 3a(ii) related organizations, and 3b.

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

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

Table with 4 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows include 1a-1e and Total.



**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>1</b>	1,012,790,312
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
<b>a</b>	Net unrealized gains on investments . . . . .	<b>2a</b>	
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII ) . . . . .	<b>2d</b>	1,994,426
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	1,994,426
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	1,010,795,886
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line <b>1</b>		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII ) . . . . .	<b>4b</b>	6,568,144
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	6,568,144
<b>5</b>	Total revenue Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12 ) . . . . .	<b>5</b>	1,017,364,030

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>1</b>	Total expenses and losses per audited financial statements . . . . .	<b>1</b>	1,011,581,896
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25		
<b>a</b>	Donated services and use of facilities . . . . .	<b>2a</b>	
<b>b</b>	Prior year adjustments . . . . .	<b>2b</b>	
<b>c</b>	Other losses . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII ) . . . . .	<b>2d</b>	8,451,226
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	8,451,226
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	1,003,130,670
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line <b>1</b> :		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII ) . . . . .	<b>4b</b>	6,884,907
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	6,884,907
<b>5</b>	Total expenses Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18 ) . . . . .	<b>5</b>	1,010,015,577

**Part XIII Supplemental Information**

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

Identifier	Return Reference	Explanation
PART V, LINE 4	INTENDED USES OF ENDOWMENT FUNDS	A Temporarily restricted net assets are available for the following purposes Research and education \$1,098,000 Plant replacement and expansion \$12,805,407 SUBTOTAL \$13,903,407 B Permanently restricted net assets \$1,132,283 ConsistS of investments to be held in perpetuity, the income from which is to be used for health care related services SUBTOTAL \$1,132,283 total \$15,035,690
RECONCILIATION OF REVENUE PER AFS TO RETURN	SCHEDULE D, PART XI	LINE 2 - AMOUNTS INCLUDED ON LINE 1 BUT NOT ON FORM 990, PART VIII, LINE 12 2D CAPITAL ASSET ACQUISITIONS \$524,162 2D DIRECT EXPENSES ATTRIBUTABLE TO FUNDRAISING EVENTS \$623,909 2D UNRELATED RENTAL EXPENSES NETTED AGAINST RENTAL REV \$846,355 2E TOTAL SUBTRACTIONS \$1,994,426 LINE 4 - AMOUNTS INCLUDED ON FORM 990, PART VIII, LINE 12, BUT NOT ON LINE 1 4B GRANT FOR CAPITAL ASSET ACQUISITIONS \$1,183,367 4B NONCASH CONTRIBUTIONS \$1,155,845 4B MEDICAL RESIDENTS FICA REFUND \$3,652,000 4B INVESTMENT FEES RECLASSED \$326,932 4B GRANTS RECEIVED RECLASSED FROM EXPENSES \$250,000 4C TOTAL ADDITIONS \$6,568,144
SCHEDULE D, PART XII	RECONCILIATION OF EXPENSES PER AFS TO RETURN	LINE 2 - AMOUNTS INCLUDED ON LINE 1 BUT NOT ON FORM 990, PART IX, LINE 25 2D Captive insurance program interest rate shortfall \$6,980,962 2D Direct expenses attributable to fundraising events \$623,909 2D Unrelated rental expenses netted against rental rev \$846,355 2E TOTAL SUBTRACTIONS \$8,451,226 LINE 4 - AMOUNTS INCLUDED ON FORM 990, PART IX, LINE 25, BUT NOT ON LINE 1 4B CHANGE IN ACCRUED PENSION & POSTRETIREMENT BENEFITS \$6,307,975 4B GRANTS RECEIVED RECLASSED FROM EXPENSES \$250,000 4B INVESTMENT FEES RECLASSED \$326,932 4C TOTAL ADDITIONS \$6,884,907
PART X	FIN 48 FOOTNOTE	THERE WAS NO LIABILITY FOR UNCERTAIN TAX POSITION UNDER FIN 48 MAKING THE FOOTNOTE UNNECESSARY

SCHEDULE F (Form 990)

Statement of Activities Outside the United States

OMB No 1545-0047

2012

Open to Public Inspection

Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16. Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization Maimonides Medical Center

Employer identification number 11-1635081

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

- 1 For grantmakers. Does the organization maintain records to substantiate the amount of the grants or assistance...
2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States.
3 Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed )

Table with 6 columns: (a) Region, (b) Number of offices in the region, (c) Number of employees, agents, and independent contractors in region, (d) Activities conducted in region (by type), (e) If activity listed in (d) is a program service, describe specific type of service(s) in region, (f) Total expenditures for and investments in region. Includes rows for Central America and the Caribbean and a sub-total row.





**Part IV Foreign Forms**

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*  Yes  No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*  Yes  No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*  Yes  No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*  Yes  No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*  Yes  No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*  Yes  No



SCHEDULE G (Form 990 or 990-EZ)

Supplemental Information Regarding Fundraising or Gaming Activities

OMB No 1545-0047

2012

Open to Public Inspection

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a. Form 990-EZ filers are not required to complete this part.

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

Department of the Treasury Internal Revenue Service

Name of the organization Maimonides Medical Center

Employer identification number 11-1635081

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

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

- a Mail solicitations, b Internet and email solicitations, c Phone solicitations, d In-person solicitations, e Solicitation of non-government grants, f Solicitation of government grants, g Special fundraising events

2a Did the organization have a written or oral agreement with any individual... Yes No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization

Table with 6 columns: (i) Name and address of individual or entity (fundraiser), (ii) Activity, (iii) Did fundraiser have custody or control of contributions?, (iv) Gross receipts from activity, (v) Amount paid to (or retained by) fundraiser listed in col (i), (vi) Amount paid to (or retained by) organization. Includes a Total row at the bottom.

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

**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		<u>ANNUAL BALL</u> (event type)	<u>GOLF CLASSIC</u> (event type)	<u>1</u> (total number)	(add col (a) through col (c))
<b>Revenue</b>	<b>1</b> Gross receipts . . . . .	494,800	135,745	160,670	791,215
	<b>2</b> Less Contributions . . . . .	275,500	89,785	84,510	449,795
	<b>3</b> Gross income (line 1 minus line 2) . . . . .	219,300	45,960	76,160	341,420
<b>Direct Expenses</b>	<b>4</b> Cash prizes . . . . .				
	<b>5</b> Noncash prizes . . . . .	2,503	11,422		13,925
	<b>6</b> Rent/facility costs . . . . .	141,213	50,530	72,602	264,345
	<b>7</b> Food and beverages . . . . .	129,750	743		130,493
	<b>8</b> Entertainment . . . . .	10,600		9,800	20,400
	<b>9</b> Other direct expenses . . . . .	150,240	7,813	36,693	194,746
	<b>10</b> Direct expense summary Add lines 4 through 9 in column (d) . . . . . ▶				
<b>11</b> Net income summary Combine line 3, column (d), and line 10 . . . . . ▶					-282,489

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

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

**9** Enter the state(s) in which the organization operates gaming activities \_\_\_\_\_

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

**b** If "No," explain \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

**b** If "Yes," explain \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Does the organization operate gaming activities with nonmembers?  Yes  No

**12** Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No

**13** Indicate the percentage of gaming activity operated in

<b>a</b> The organization's facility	<b>13a</b>	
<b>b</b> An outside facility	<b>13b</b>	

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

Name ▶ .....

Address ▶ .....

**15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue?  Yes  No

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

**c** If "Yes," enter name and address of the third party

Name ▶ .....

Address ▶ .....

**16** Gaming manager information

Name ▶ .....

Gaming manager compensation ▶ \$ .....

Description of services provided ▶ .....

Director/officer                       Employee                       Independent contractor

**17** Mandatory distributions

**a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No

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

**Part IV Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	Return Reference	Explanation
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SCHEDULE H (Form 990)

Hospitals

OMB No 1545-0047

2012

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization Maimonides Medical Center

Employer identification number 11-1635081

Part I Financial Assistance and Certain Other Community Benefits at Cost

1a Did the organization have a financial assistance policy during the tax year? 1b If "Yes," was it a written policy? 2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy... 3a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? 3b Did the organization use FPG as a factor in determining eligibility for providing discounted care? 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? 5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? 5b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? 5c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? 6a Did the organization prepare a community benefit report during the tax year? 6b If "Yes," did the organization make it available to the public?

7 Financial Assistance and Certain Other Community Benefits at Cost

Table with 7 columns: (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. Rows include Financial Assistance and Means-Tested Government Programs (a-d) and Other Benefits (e-k).

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

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

**Part III Bad Debt, Medicare, & Collection Practices**

**Section A. Bad Debt Expense**

		Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?	1	Yes	
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.	2		
			11,344,408
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.	3		
			9,424,296
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.			

**Section B. Medicare**

5 Enter total revenue received from Medicare (including DSH and IME)	5		249,377,498
6 Enter Medicare allowable costs of care relating to payments on line 5	6		272,483,751
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7		-23,106,253
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other			

**Section C. Collection Practices**

9a Did the organization have a written debt collection policy during the tax year?	9a	Yes	
9b 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** (owned 10% or more by officers, directors, trustees, key employees, and physicians—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—see instructions)

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

1

Name, address, and primary website address

		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
1	MAIMONIDES MEDICAL CENTER 4802 TENTH AVE BROOKLYN, NY 11219 www.maimonidesmed.org	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 or facility reporting groups listed in Part V, Section A)

MAIMONIDES MEDICAL CENTER

Name of hospital facility or facility reporting group \_\_\_\_\_

For single facility filers only: line Number of Hospital Facility (from Schedule H, Part V, Section A) 1

		Yes	No
<b>Community Health Needs Assessment</b> (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
<b>1</b>	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 . . . . . If "Yes," indicate what the CHNA report describes (check all that apply)	<b>1</b>	
<b>a</b>	<input type="checkbox"/> A definition of the community served by the hospital facility		
<b>b</b>	<input type="checkbox"/> Demographics of the community		
<b>c</b>	<input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
<b>d</b>	<input type="checkbox"/> How data was obtained		
<b>e</b>	<input type="checkbox"/> The health needs of the community		
<b>f</b>	<input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
<b>g</b>	<input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
<b>h</b>	<input type="checkbox"/> The process for consulting with persons representing the community's interests		
<b>i</b>	<input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
<b>j</b>	<input type="checkbox"/> Other (describe in Part VI)		
<b>2</b>	Indicate the tax year the hospital facility last conducted a CHNA 20 ____		
<b>3</b>	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? 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 . . . . .	<b>3</b>	
<b>4</b>	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI . . . . .	<b>4</b>	
<b>5</b>	Did the hospital facility make its CHNA report widely available to the public? . . . . . If "Yes," indicate how the CHNA report was made widely available (check all that apply)	<b>5</b>	
<b>a</b>	<input type="checkbox"/> Hospital facility's website		
<b>b</b>	<input type="checkbox"/> Available upon request from the hospital facility		
<b>c</b>	<input type="checkbox"/> Other (describe in Part VI)		
<b>6</b>	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)		
<b>a</b>	<input type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
<b>b</b>	<input type="checkbox"/> Execution of the implementation strategy		
<b>c</b>	<input type="checkbox"/> Participation in the development of a community-wide plan		
<b>d</b>	<input type="checkbox"/> Participation in the execution of a community-wide plan		
<b>e</b>	<input type="checkbox"/> Inclusion of a community benefit section in operational plans		
<b>f</b>	<input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
<b>g</b>	<input type="checkbox"/> Prioritization of health needs in its community		
<b>h</b>	<input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
<b>i</b>	<input type="checkbox"/> Other (describe in Part VI)		
<b>7</b>	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs . . . . .	<b>7</b>	
<b>8a</b>	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? . . . . .	<b>8a</b>	
<b>b</b>	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax? . . . . .	<b>8b</b>	
<b>c</b>	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

**Part V Facility Information** (continued)

<b>Financial Assistance Policy</b>		<b>Yes</b>	<b>No</b>
<b>9</b>	Did the hospital facility have in place during the tax year a written financial assistance policy that explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	<b>9</b> Yes	
<b>10</b>	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? . . . . . If "Yes," indicate the FPG family income limit for eligibility for free care <u>300</u> % If "No," explain in Part VI the criteria the hospital facility used	<b>10</b> Yes	
<b>11</b>	Used FPG to determine eligibility for providing <i>discounted</i> care? . . . . . If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>300</u> % If "No," explain in Part VI the criteria the hospital facility used	<b>11</b> Yes	
<b>12</b>	Explained the basis for calculating amounts charged to patients? . . . . . If "Yes," indicate the factors used in determining such amounts (check all that apply)	<b>12</b> Yes	
<b>a</b>	<input checked="" type="checkbox"/> Income level		
<b>b</b>	<input checked="" type="checkbox"/> Asset level		
<b>c</b>	<input checked="" type="checkbox"/> Medical indigency		
<b>d</b>	<input checked="" type="checkbox"/> Insurance status		
<b>e</b>	<input checked="" type="checkbox"/> Uninsured discount		
<b>f</b>	<input checked="" type="checkbox"/> Medicaid/Medicare		
<b>g</b>	<input checked="" type="checkbox"/> State regulation		
<b>h</b>	<input checked="" type="checkbox"/> Other (describe in Part VI)		
<b>13</b>	Explained the method for applying for financial assistance? . . . . .	<b>13</b> Yes	
<b>14</b>	Included measures to publicize the policy within the community served by the hospital facility? . . . . . If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	<b>14</b> Yes	
<b>a</b>	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
<b>b</b>	<input checked="" type="checkbox"/> The policy was attached to billing invoices		
<b>c</b>	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
<b>d</b>	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
<b>e</b>	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
<b>f</b>	<input checked="" type="checkbox"/> The policy was available upon request		
<b>g</b>	<input type="checkbox"/> Other (describe in Part VI)		
<b>Billing and Collections</b>			
<b>15</b>	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? . . . . .	<b>15</b> Yes	
<b>16</b>	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP		
<b>a</b>	<input type="checkbox"/> Reporting to credit agency		
<b>b</b>	<input type="checkbox"/> Lawsuits		
<b>c</b>	<input type="checkbox"/> Liens on residences		
<b>d</b>	<input type="checkbox"/> Body attachments		
<b>e</b>	<input type="checkbox"/> Other similar actions (describe in Part VI)		
<b>17</b>	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? . . . . . If "Yes," check all actions in which the hospital facility or a third party engaged	<b>17</b>	No
<b>a</b>	<input type="checkbox"/> Reporting to credit agency		
<b>b</b>	<input type="checkbox"/> Lawsuits		
<b>c</b>	<input type="checkbox"/> Liens on residences		
<b>d</b>	<input type="checkbox"/> Body attachments		
<b>e</b>	<input type="checkbox"/> Other similar actions (describe in Part VI)		

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

**18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)

- a**  Notified individuals of the financial assistance policy on admission
- b**  Notified individuals of the financial assistance policy prior to discharge
- c**  Notified individuals 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)

**Policy Relating to Emergency Medical Care**

**19** Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? . . . . .

If "No," indicate why

- 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)

	Yes	No
<b>19</b>	Yes	

**Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)**

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

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

**21** During the tax year, did the hospital facility charge any FAP-eligible individuals to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? . . . . .

If "Yes," explain in Part VI

**22** During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? . . . . .

If "Yes," explain in Part VI

<b>21</b>		No
<b>22</b>		No

**Part V Facility Information** *(continued)***Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

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

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

13

Name and address	Type of Facility (describe)
See Additional Data Table	

**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, Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Identifier	ReturnReference	Explanation
1 Required Descriptions		Part III, line 4 - Uncompensated Care For financial reporting purposes, Maimonides Medical Center (the Medical Center) reports as uncompensated care amounts related to care provided for which the patient's payment obligation has not been fully satisfied. Uncompensated care is the sum of the Medical Center's charity care, including free and reduced price medical care, and bad debt expense. During the registration, billing and collection process, a patient's eligibility for charity care is determined. For patients who are determined to be eligible for charity care under the Medical Center's charity care and financial aid policy, care given but not paid for is classified as charity care. The Medical Center amended its charity care and financial aid policy in order to authorize use of additional financial information for uninsured or under-insured patients who have not supplied the requisite information to qualify for charity care. The additional information obtained is used by the Medical Center to determine whether to qualify patients for charity care and/or financial aid in accordance with the Medical Center's policies. For patients who were determined by the Medical Center to have the ability to pay but did not, the uncollected amounts are classified as bad debt expense. Distinguishing between bad debt and charity care is difficult in part because services are often rendered prior to full evaluation of a patient's ability to pay. Bad Debt is recorded at cost. Part III, line 8 - Shortfall Costs The shortfall costs should be treated as a community benefit as we are treating the elderly patients of the community. The costing methodology applies the worksheet 2 ratio of patient care cost to charges as Maimonides Medical Center became a charge structure institution in 2011. Part III, line 9b - Fair Billing and Collection Practices Maimonides Medical Center is committed to fair billing and collections practices. A patient account will not be sent to collection if the patient has submitted a completed application for financial aid, including any required supporting documentation, for the time that the hospital is considering the application. A patient is provided at least thirty days written notice on the bill before debts are referred to collection. By contract the Medical Center's collection agencies are not permitted to freeze the debtor's bank account, garnish the debtor's payroll check unless authorized by a Vice President of the Medical Center, seek civil arrest, seek a forced sale or foreclosure of a primary residence. Collection agencies are required to obtain the Medical Center's written consent prior to commencing legal action. Part V Facility Information Section B, Line 20d - Individuals Eligible for Financial Assistance The hospital uses Medicare rates for outpatient services rendered and Medicaid DRG rates for inpatient services rendered.
PART VI SUPPLEMENTAL INFORMATION	2 NEEDS ASSESSMENT	The New York City Department of Health and Mental Hygiene is an increasingly effective, real time source of information about health status and health care needs at the community and neighborhood level. Maimonides Medical Center also has a robust program of outreach and interaction with the communities that utilize our services. Maimonides Medical Center actively seeks participation of community residents and leaders on the Board of Trustees. Maimonides Medical Center actively engages its medical staff, community leaders, community organizations and health service delivery partners in discussions on improving coordination and access to services. Maimonides Medical Center developed a Council of Community Organizations (COCO), an ongoing forum and vehicle for communication with local community leaders, community groups, businesses, politicians. Over 350 people from the neighborhoods that comprise southwestern Brooklyn are personally invited to participate in the meetings. The group meets at least annually, is presided over by Pamela Brier, President of Maimonides Medical Center, and includes discussion of new programs and initiatives focused on community service. Executive leadership also meets regularly with representatives of Hatzolah Ambulance Corps of Boro Park to discuss community health needs. These meetings are held quarterly and focus on community health needs and activities to improve clinical outcomes especially as they relate to effective and appropriate utilization of emergency services.
3 Patient education of eligibility for assistance		ACCESS TO INFORMATION - All written information is available in multiple languages. Patients are informed of the hospital's financial assistance via the following methods: * Multi-lingual signage * Summary brochure of the financial assistance policy available at points of patient service * Information distributed during the intake and registration process * The hospital website * Information on bills and statements sent to patients * Responses to direct inquiries made to the hospital.
4 Community Information		Maimonides Medical Center historically has used a commonly accepted planning definition of service area for acute care hospitals based on the aggregation of inpatient discharges from surrounding zip codes. The zip codes comprising the first 50% inpatient zip codes are defined as the primary service area. The next group of zip codes comprising the next 25% of zip codes is defined as the secondary service area. Based on this planning definition the primary service area for Maimonides Medical Center is comprised of the following 6 zip codes, 11219, 11230, 11218, 11204, 11220, 11214. The following 6 zip codes comprise the secondary service area for Maimonides Medical Center, 11223, 11235, 11229, 11224, 11228, 11209. Approximately 95% of the inpatient discharges at Maimonides Medical Center are patients with a Brooklyn address. Maimonides Medical Center is mindful of the New York State Department of Health definition of the hospital primary service areas as the five counties of New York City for purposes of service and financial aid pursuant to PHL 2807 (k) (9-a). According to the New York City Department of Health and Mental Hygiene, the neighborhoods of southwestern Brooklyn that comprise this primary and secondary service area are described socio-economically as low to medium poverty (10-30%). The population of Brooklyn is very ethnically diverse and southwest Brooklyn's current population is rich in that diversity. One indicator of that diversity is Maimonides signage and translation of documents into ten languages in addition to English: Italian, French, Russian, Spanish, Urdu, Arabic, Yiddish, Hebrew, Polish, Chinese and Creole.
5 Promotion of community health		Maimonides Medical Center is governed by a Board of Trustees that is largely comprised of persons who reside in the surrounding communities and neighborhoods that form its primary service area. Board members serve on a voluntary basis without compensation. Maimonides Medical Center does not have the very important benefit of significant endowment from philanthropy, hence, it is very dependent on generating surplus funds to grow clinical programs and replace equipment, develop new services, acquire new technology and keep facilities up to contemporary standards. Maimonides Medical Center endeavors to maintain an open medical staff to all qualified physicians in the community except in circumstances of extreme constraints on capacity. The Department of Medicine has developed an Affiliate status and a highly effective hospitalist service to assist physicians in joining or retaining membership on the medical staff, providing for access and continuity of care for their patients, without the burden of time requirements associated with full Medical Staff privileges. Maimonides Medical Center has played a central support and leadership role in the development of the Brooklyn Health Information Exchange (BHIX), a regional health information organization (RHIO) that offers an information exchange platform and comprehensive services to support care coordination through an efficient and meaningful exchange of health information. In early 2012, Maimonides was designated a Medicaid Health Home by New York State. As a Health Home, Maimonides partners with a network of 50+ providers and community-based organizations to coordinate services for Medicaid beneficiaries who have high-cost and complex chronic conditions. This is done primarily through a "care manager" who oversees and helps access all of the services an individual needs to assure that they receive everything necessary to stay healthy, out of the emergency room and out of the hospital. These services include housing, social services, medical and behavioral health, substance use, home care, and family support and education, which are coordinated and integrated to control future health care costs and improve health outcomes for this population. In 2012, Maimonides received a Health Care Innovation Award from the Center for Medicare and Medicaid Innovation to improve the care and lives of 7,500 adults with serious mental illness in southwest Brooklyn. This population experiences a disproportionate burden of chronic disease and co-morbidities, and often receives care that is fragmented and inefficient, leading to poor health outcomes and shortened life expectancy. This Project virtually co-locates medical and mental health providers through accessible health information technology tools and functionalities that advance care coordination and planning to holistically address the needs of these patients. Working with a group of other providers and community based organizations, the Project is establishing a model of care delivery that will transform how healthcare services for this population are provided and reimbursed, while developing new jobs and career paths for the community.
7 State filing of community benefit report		NEW YORK

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 11-1635081  
**Name:** Maimonides Medical Center

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

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

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

13

Name and address	Type of Facility (describe)
<b>1</b> 9th Ave Women's Primary Care Center 4422 9th Avenue Brooklyn, NY 11219	Womens' Primary Care Center
<b>2</b> MAIMONIDES ADULTPED DENTAL CENTER 4303-4305 13th Avenue Brooklyn, NY 11219	Womens' Primary Care Center
<b>3</b> Bensonhurst Clinic Treatment Program 8620 18th Avenue Brooklyn, NY 11214	Womens' Primary Care Center
<b>4</b> Maimonides Ambulatory Care Center 1301 57th Street Brooklyn, NY 11219	Womens' Primary Care Center
<b>5</b> Fort Hamilton Clinic Treatment Program 8710 Fifth Avenue Brooklyn, NY 11209	Womens' Primary Care Center
<b>6</b> Maimonides Cancer Center 6300 Eighth Avenue Brooklyn, NY 11220	Womens' Primary Care Center
<b>7</b> Maimonides Adult Primary Care Center 1250 57th Street Brooklyn, NY 11219	Womens' Primary Care Center
<b>8</b> Maimonides Family Health Center 1401 Newkirk Avenue Brooklyn, NY 11226	Womens' Primary Care Center
<b>9</b> Maimonides Primary Health Services 6323 Seventh Avenue Brooklyn, NY 11220	Womens' Primary Care Center
<b>10</b> Maimonides Rehabilitation Services 883 65th Street Brooklyn, NY 11219	Womens' Primary Care Center
<b>11</b> MAIMONIDES SLEEP DISORDER CLINIC 6405 7TH AVENUE brooklyn, NY 11219	Womens' Primary Care Center
<b>12</b> MAPLETON CLINIC TREATMENT PROGRAM 1083 MCDONALD AVENUE BROOKLYN, NY 11230	Womens' Primary Care Center
<b>13</b> MAIMONIDES BREAST CENTER 745 64TH STREET BROOKLYN, NY 11220	Womens' Primary Care Center

Schedule I (Form 990)

OMB No 1545-0047

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

2012

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

Attach to Form 990

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Name of the organization Maimonides Medical Center

Employer identification number

11-1635081

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?
2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government (b) EIN (c) IRC Code section if applicable (d) Amount of cash grant (e) Amount of non-cash assistance (f) Method of valuation (book, FMV, appraisal, other) (g) Description of non-cash assistance (h) Purpose of grant or assistance

See Additional Data Table

Table with 8 columns: (a) Name and address of organization or government, (b) EIN, (c) IRC Code section if applicable, (d) Amount of cash grant, (e) Amount of non-cash assistance, (f) Method of valuation, (g) Description of non-cash assistance, (h) Purpose of grant or assistance. The table is currently empty.

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

**Part III Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22.

Part III can be duplicated if additional space is needed.

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

**Part IV Supplemental Information.**

Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information

Identifier	Return Reference	Explanation
Schedule I, Part I	description of procedures for monitoring the use of grant funds	GENERAL SUPPORT IS GIVEN TO VARIOUS NONPROFIT HEALTH RELATED ORGANIZATIONS WHOSE ACTIVITIES HAVE BEEN DETERMINED ARE COMPATIBLE AND COMPLIMENTARY TO THOSE OF MAIMONIDES MEDICAL CENTER THE MEDICAL CENTER PERIODICALLY REVIEWS ITS GENERAL SUPPORT OF THESE NONPROFIT ORGANIZATIONS IN ORDER TO ENSURE THAT THE RECIPIENT'S ACTIVITIES REMAIN COMPATIBLE WITH THOSE OF THE MEDICAL CENTER

**Software ID:**  
**Software Version:**  
**EIN:** 11-1635081  
**Name:** Maimonides Medical Center

## Form 990, Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BORO PARK HATZOLAH 5215 16TH AVENUE BROOKLYN, NY 11204	11-3043090	501(c)(3)	75,000				GENERAL SUPPORT
HATZOLAH OF FLATBUSH 1880 OCEAN AVENUE BROOKLYN, NY 11230	13-3213138	501(C)(3)	70,000				General Support
Hatzolah of Williamsburg 183 Wilson STREET BROOKLYN, NY 11211	11-3376135	501(c)(3)	50,000				General Support
AGUDATH ISRAEL (SIYUM HASHAS OF DAF YOMI) 42 BROADWAY NEW YORK, NY 10004	13-5604164	501(c)(3)	50,000				General Support
BORO PARK COMMUNITY COUNCIL 4912 14TH AVENUE Brooklyn, NY 11219	11-3475993	501(C)(3)	40,000				General Support
NEW YORK EHEALTH COLLABORATIVE NYEC 40 WORTH STREET NEW YORK, NY 10013	20-8022336	501(c)(3)	30,000				General Support
SEPHARDIC GERIATRIC FOUNDATION 2266 CROPSEY AVENUE BROOKLYN, NY 11214	11-1694718	501(c)(3)	26,000				General Support
Guardians of the Sick 5216 11th AVENUE BROOKLYN, NY 11219	11-6003433	501(C)(3)	20,000				General Support
OHEL CHILDREN'S HOME & FAMILY SERVICES 4510 16TH AVENUE BROOKLYN, NY 11204	11-6078704	501(C)(3)	20,000				General Support
NAMI - NYC METRO 505 EIGHTH AVE STE 1103 NEW YORK, NY 10018	13-3077692	501(c)(3)	15,000				General Support
UNITED HOSPITAL FUND 350 FIFTH AVENUE NEW YORK, NY 10118	13-1562656	501(c)(3)	15,000				General Support
LEAGUE OF WOMEN VOTERS 4 WEST 43RD ST STE 615 NEW YORK, NY 10036	13-3100525	501(c)(3)	12,500				GENERAL SUPPORT
1199SEIU EMPLOYER CHILD CARE CORP 330 WEST 42ND STREET NEW YORK, NY 10036	13-4063281	501(c)(3)	10,000				GENERAL SUPPORT
BOWERY RESIDENTS COMMITTEE 127 WEST 25TH STREET NEW YORK, NY 10001	13-2736659	501(C)(3)	10,000				GENERAL SUPPORT
BROOKLYN INFORMATION & CULTURE 647 FULTON STREET BROOKLYN, NY 11217	11-2547268	501(c)(3)	10,000				GENERAL SUPPORT
COUNCIL OF JEWISH ORGANIZATIONS OF FLATBUSH 1523 AVE M BROOKLYN, NY 11230	11-2864728	501(C)(3)	10,000				GENERAL SUPPORT
LADIES BIKUR CHOLIM D'SATMOR 5422 14TH AVENUE BROOKLYN, NY 11219	11-6081323	501(c)(3)	10,000				GENERAL SUPPORT
LUTHERAN MEDICAL CENTER 150 55TH STREET BROOKLYN, NY 11220	11-1839567	501(c)(3)	10,000				GENERAL SUPPORT
Primary Care Development Corp 22 CORTLAND STREET NEW YORK, NY 10007	13-3711803	501(c)(3)	7,500				GENERAL SUPPORT
WOMEN IN HEALTH MANAGEMENT 152 MADISON AVE STE 801 NEW YORK, NY 10016	13-3588691	501(C)(3)	7,500				GENERAL SUPPORT

**Form 990, Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC Code section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
HAITIAN SOLIDARITY415 EAST 17TH ST STE 35 BROOKLYN, NY 11226	27-2590851	501(C)(3)	9,617				GENERAL SUPPORT
METROPOLITAN JEWISH HEALTH SYSTEM6323 SEVENTH AVENUE BROOKLYN, NY 11220	11-1630753	501(C)(3)	6,000				GENERAL SUPPORT

**Schedule J**  
(Form 990)

**Compensation Information**

OMB No 1545-0047

**2012**

**Open to Public Inspection**

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Maimonides Medical Center

Employer identification number

11-1635081

**Part I Questions Regarding Compensation**

- 1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.
- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> 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 or provision of all of the expenses described above? If "No," complete Part III to explain

**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?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input checked="" type="checkbox"/> Written employment contract                     |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations                | <input checked="" type="checkbox"/> 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?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?  
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?
- b** Any related organization?

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?
- b** Any related organization?

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

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
<b>1b</b>		
<b>2</b>		
<b>4a</b>		No
<b>4b</b>	Yes	
<b>4c</b>		No
<b>5a</b>		No
<b>5b</b>		No
<b>6a</b>	Yes	
<b>6b</b>		No
<b>7</b>	Yes	
<b>8</b>		No
<b>9</b>		

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) PAMELA BRIER TRUSTEE, PRESIDENT & CEO	(i)	1,043,233	200,000	94,270	175,014	57,293	1,569,810	0
	(ii)	0	0	0	0	0	0	0
(2) DOMINICK STANZIONE EXECUTIVE VICE PRES & COO	(i)	738,471	0	36,561	169,250	24,115	968,397	0
	(ii)	0	0	0	0	0	0	0
(3) ROBERT NALDI EXECUTIVE VICE PRES & CFO	(i)	628,922	0	53,012	142,917	5,385	830,236	0
	(ii)	0	0	0	0	0	0	0
(4) JOYCE LEAHY SVP FOR LEGAL	(i)	406,162	0	16,810	49,050	9,130	481,152	0
	(ii)	0	0	0	0	0	0	0
(5) ENRICO ASCHER MD FMR DIR OF VASCULAR SURGERY	(i)	1,219,001	0	264	16,250	1,314	1,236,829	0
	(ii)	0	0	0	0	0	0	0
(6) PATRICK BORGAN MD CHAIRMAN, DEPT OF SURGERY	(i)	1,798,066	0	34,910	16,250	24,115	1,873,341	0
	(ii)	0	0	0	0	0	0	0
(7) ISRAEL JACOBOWITZ MD ATTENDING, CARDIOTHORACIC SURG	(i)	1,274,127	0	19,838	16,250	7,380	1,317,595	0
	(ii)	0	0	0	0	0	0	0
(8) AMIT SCHWARTZ MD CHIEF, NEUROSURGERY	(i)	1,284,585	0	240	16,250	34,538	1,335,613	0
	(ii)	0	0	0	0	0	0	0
(9) JACK CHOUKA MD CHAIRMAN, ORTHOPEDICS	(i)	1,056,566	0	24,932	16,250	21,115	1,118,863	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, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
Supplemental Information	Part I, Line 4B	THE FOLLOWING PERSONS PARTICIPATED IN A 457(F) SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN PAMELA S BRIER - \$49,075 DOMINICK STANZIONE - \$2,541 ROBERT NALDI - \$34,899 JOYCE LEAHY - \$15,262 IN ADDITION, mmc MAINTAINS A SERP PLAN FOR the OFFICERS LISTED ON SCHEDULE J, PART II CURRENT contributions ARE INCLUDED IN COLUMN C FOR 2012 ANNUAL CONTRIBUTIONS ARE NONTAXABLE EVENTS AND UPON VESTING AT RETIREMENT, THE SERP WILL BE INCLUDED IN THE OFFICERS' TAXABLE COMPENSATION CEO, PAMELA S BRIER'S CUMULATIVE DEFERRED SERP THROUGH 2011 TOTALS \$523,774, AND WAS ACCRUED AND INCLUDED ON THE FORM 990'S PART IX (STATEMENT OF FUNCTIONAL EXPENSES) ON LINE 8, PENSION PLAN ACCRUALS AND CONTRIBUTIONS HOWEVER, PRIOR TO 2012, ALTHOUGH THE CUMULATIVE DEFERRED SERP WAS INCLUDED IN PART IX OF THE 990 IT WAS NOT REPORTED AS DEFERRED COMPENSATION ON SCHEDULE J AND ON THE FORM 990'S PART VII PART I, LINE 6A THE ORGANIZATION PAYS, PURSUANT TO INDIVIDUAL EMPLOYMENT CONTRACT AGREEMENTS, A PORTION OF FACULTY PRACTICE EARNINGS, NET OF EXPENSES PART I, LINE 7 NON FIXED PAYMENTS ARE PAID BASED UPON THE APPROVAL FROM THE COMPENSATION COMMITTEE OF THE BOARD

**Software ID:**  
**Software Version:**  
**EIN:** 11-1635081  
**Name:** Maimonides Medical Center

**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				
PAMELA BRIER	(i)	1,043,233	200,000	94,270	175,014	57,293	1,569,810	0
	(ii)	0	0	0	0	0	0	0
DOMINICK STANZIONE	(i)	738,471	0	36,561	169,250	24,115	968,397	0
	(ii)	0	0	0	0	0	0	0
ROBERT NALDI	(i)	628,922	0	53,012	142,917	5,385	830,236	0
	(ii)	0	0	0	0	0	0	0
JOYCE LEAHY	(i)	406,162	0	16,810	49,050	9,130	481,152	0
	(ii)	0	0	0	0	0	0	0
ENRICO ASCHER MD	(i)	1,219,001	0	264	16,250	1,314	1,236,829	0
	(ii)	0	0	0	0	0	0	0
PATRICK BORGEM MD	(i)	1,798,066	0	34,910	16,250	24,115	1,873,341	0
	(ii)	0	0	0	0	0	0	0
ISRAEL JACOBOWITZ MD	(i)	1,274,127	0	19,838	16,250	7,380	1,317,595	0
	(ii)	0	0	0	0	0	0	0
AMIT SCHWARTZ MD	(i)	1,284,585	0	240	16,250	34,538	1,335,613	0
	(ii)	0	0	0	0	0	0	0
JACK CHOUUEKA MD	(i)	1,056,566	0	24,932	16,250	21,115	1,118,863	0
	(ii)	0	0	0	0	0	0	0

**Schedule K  
(Form 990)**

OMB No 1545-0047

**Supplemental Information on Tax Exempt Bonds**

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

▶ **Attach to Form 990.** ▶ **See separate instructions.**

**2012**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Maimonides Medical Center

Employer identification number  
11-1635081

**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
<b>A</b> DORMITORY AUTHORITY OF THE STATE OF NY	14-6000293	64983TWB5	06-24-2004	114,252,556	SEE BELOW		X		X		X

**Part II Proceeds**

	A	B	C	D
<b>1</b> Amount of bonds retired	12,950,000			
<b>2</b> Amount of bonds legally defeased	0			
<b>3</b> Total proceeds of issue	114,252,556			
<b>4</b> Gross proceeds in reserve funds	8,830,576			
<b>5</b> Capitalized interest from proceeds	10,230,124			
<b>6</b> Proceeds in refunding escrows	0			
<b>7</b> Issuance costs from proceeds	1,356,852			
<b>8</b> Credit enhancement from proceeds	1,340,270			
<b>9</b> Working capital expenditures from proceeds	0			
<b>10</b> Capital expenditures from proceeds	92,494,199			
<b>11</b> Other spent proceeds	0			
<b>12</b> Other unspent proceeds	0			
<b>13</b> Year of substantial completion	2009			
	Yes	No	Yes	No
<b>14</b> Were the bonds issued as part of a current refunding issue?		X		
<b>15</b> Were the bonds issued as part of an advance refunding issue?		X		
<b>16</b> Has the final allocation of proceeds been made?	X			
<b>17</b> Does the organization maintain adequate books and records to support the final allocation of proceeds?	X			

**Part III Private Business Use**

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

**Part III Private Business Use (Continued)**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property?	X							
<b>b</b> If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X							
<b>c</b> Are there any research agreements that may result in private business use of bond-financed property?	X							
<b>d</b> If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?		X						
<b>4</b> 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%		%		%		%
<b>5</b> 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		%		%		%		%
<b>6</b> Total of lines 4 and 5		%		%		%		%
<b>7</b> Does the bond issue meet the private security or payment test?		X						
<b>8a</b> Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
<b>b</b> If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of		%		%		%		%
<b>c</b> If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?		X						
<b>9</b> Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X						

**Part IV Arbitrage**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b> Has the issuer filed Form 8038-T?		X						
<b>2</b> If "No" to line 1, did the following apply?								
<b>a</b> Rebate not due yet?		X						
<b>b</b> Exception to rebate?		X						
<b>c</b> No rebate due?	X							
If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
<b>3</b> Is the bond issue a variable rate issue?		X						
<b>4a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
<b>b</b> Name of provider	0							
<b>c</b> Term of hedge								
<b>d</b> Was the hedge superintegrated?								
<b>e</b> Was a hedge terminated?								

**Part IV Arbitrage (Continued)**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>5a</b> Were gross proceeds invested in a guaranteed investment contract (GIC)?	X							
<b>b</b> Name of provider	MBIA							
<b>c</b> Term of GIC	29 1							
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X							
<b>6</b> Were any gross proceeds invested beyond an available temporary period?	X							
<b>7</b> Has the organization established written procedures to monitor the requirements of section 148?	X							

**Part V Procedures To Undertake Corrective Action**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>1</b> Has 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?	X							

**Part VI Supplemental Information.** Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Identifier	Return Reference	Explanation
SEE SCHEDULE O	0	Part I, Bond Issues A (a) Issuer name - Dormitory Authority of the State of New York A (f) Description of purpose - Financing of hospital campus modernization, through construction of a new 9-floor building, renovation of existing facilities and purchase of equipment and furnishings, funding of reserves and paying of costs of issuance A (g) Deceased - On March 21, 2013, this bond issue was defeased in an amount of \$97,695,000 to be redeemed on August 1, 2014 B The New York City Capital Resource Corporation's bond issue disclosed in prior years was redeemed on June 1, 2012 Part III, Private Business Use 3d - In August 2013, the organization determined that it would engage bond counsel or other outside counsel to review any particularly complex, unusual or large research agreements relating to the financed property 9 - In October 2013, the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2 Part IV, Arbitrage Line 6 - Gross proceeds invested beyond an available temporary period At closing, the modernization project was expected to take approximately thirty months to construct Several issues arose during the construction period resulting in an elongation of the construction period beyond the expected thirty months The first substantive delay was the result of a city-wide strike by the steel workers union This strike occurred during the erection of steel and, as such, after the strike was over the steel workers on the job had to be remobilized The second substantive delay was the result of a dispute between the design engineer and subcontractor over the HVAC system design and constructability of the system which was subsequently resolved The third substantive delay was the result of the principal manufacturer of HVAC ductwork declaring bankruptcy during the manufacture of the project materials resulting in delays obtaining ducts already manufactured and then commissioning a new manufacturer for the remaining ductwork These delays had a cascade effect on delaying other trades whose work could not proceed as originally anticipated and scheduled The fourth substantive delay was the result of the untimely demise of the project manager on the job which, although he was quickly replaced by the construction manager, was disruptive to normal job coordination and management In spite of these unforeseen delays, the modernization project was completed in April 2009, which was approximately two years past the available temporary period

Schedule L (Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2012

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization Maimonides Medical Center

Employer identification number 11-1635081

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

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

Table with 4 main columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No)

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 \$
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

Table with 9 main columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the organization (To/From), (e) Original principal amount, (f) Balance due, (g) In default? (Yes/No), (h) Approved by board or committee? (Yes/No), (i) Written agreement? (Yes/No)

Part III Grants or Assistance Benefitting Interested Persons.

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

Table with 5 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of assistance, (d) Type of assistance, (e) Purpose of assistance

**Part IV Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) 745-64TH REALTY ASSOC INC	ANDREW KOHEN,TRUSTEE/OWN	1,558,599	REAL ESTATE RENTAL		No
(2) RMNDS REALTY ASSOC	ANDREW KOHEN,TRUSTEE/OWN	1,171,174	REAL ESTATE RENTAL		No

**Part V Supplemental Information**

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

Identifier	Return Reference	Explanation

SCHEDULE M (Form 990)

Noncash Contributions

OMB No 1545-0047

2012

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization Maimonides Medical Center

Employer identification number

11-1635081

Part I Types of Property

Table with 4 columns: (a) Check if applicable, (b) Number of contributions or items contributed, (c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g, (d) Method of determining noncash contribution amounts. Row 20 is highlighted with data: X, 28,890, 1,155,845, FMV BY DONOR.

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

29

Table with 3 columns: Question, Yes, No. Rows 30a, 31, 32a, 33.

**Part III Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
SCHEDULE M, PART II		FEDERALLY FUNDED VACCINES ARE RECEIVED ANNUALLY THROUGH U S DEPARTMENT OF HEALTH AND HUMAN RESOURCES PASS THROUGH PROGRAMS FROM THE NEW YORK CITY DEPARTMENT OF HEALTH AND MENTAL HYGIENE FOR IMMUNIZATION COOPERATIVE AGREEMENTS VACCINES FOR CHILDREN AS REPORTED ON THE FINANCIAL STATEMENTS AND AUDIT REPORT RELATED TO U S OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-133

**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

**2012**

**Open to Public  
Inspection**

Name of the organization  
Maimonides Medical Center

**Employer identification number**

11-1635081

Identifier	Return Reference	Explanation
Form 990 Supplemental Information	FORM 990, PART I, Line 1	OUR COMMITMENT HAS ALWAYS BEEN TO SERVE THE COMMUNITY PROVIDING QUALITY HEALTHCARE SERVICES AND HEALTHCARE EDUCATION REGARDLESS OF RACE, CREED, SEX, NATURAL ORIGIN, AGE, HANDICAP OR ABILITY TO PAY FORM 990, PART I, LINE 6 - VOLUNTEERS 2012 At Maimonides we are fortunate to have a large corps of dedicated volunteers who enhance the services provided by our staff There were 1,660 volunteers in 2012 who served 232,689 hours All volunteer records are kept in a computer database system Volunteers at Maimonides sign in and out using a touch screen computer Accordingly the number of volunteers and hours served are tracked by the system The Department of Volunteer Services works very closely with youth agencies and provides a worksite for various youth employment programs We coordinate internship programs with business schools and colleges (both undergraduate and graduate programs) This has developed successful relationships with community agencies and organizations Some of the service areas the volunteers work in are labor coach (doula), postpartum support, companions to patients, feeders, child life, interpreters, greeters, refreshment carts, ladies auxiliary, patient library, chaplaincy, clerical support, patient transport, and other support services

Identifier	Return Reference	Explanation
Form 990 Supplemental Information	FORM 990, PART III, LINE 1	MAIMONIDES MEDICAL CENTER IS DEDICATED TO FOSTERING HEALTHY COMMUNITIES. WE PROVIDE HIGH QUALITY COMPASSIONATE PATIENT CARE AND COMPREHENSIVE COMMUNITY SERVICES. AS A PREMIER ACADEMIC MEDICAL CENTER, WE ARE DEVOTED TO EDUCATING HEALTH CARE PROFESSIONALS, PATIENTS, FAMILIES, EMPLOYEES AND THE COMMUNITIES WE SERVE. WE CONDUCT RESEARCH THAT IMPROVES THE LIVES OF OUR PATIENTS. WE WELCOME ALL PATIENTS OF ALL FAITHS AND AT THE SAME TIME REMAIN UNIQUELY COMMITTED TO SERVING THE SPECIAL HEALTHCARE NEEDS OF THE ORTHODOX JEWISH COMMUNITY, WHOSE RELIGIOUS AND CULTURAL TRADITIONS HELP GUIDE THE PROVISION OF MAIMONIDES SERVICES.

Identifier	Return Reference	Explanation
Form 990 Supplemental Information	Form 990, Part III, LINE 4	<p>Maimonides Medical Center, a 711 bed acute care voluntary, not-for profit hospital, offers a wide array of inpatient and outpatient healthcare services. Our commitment has always been to serve the community providing quality healthcare services and healthcare education regardless of race, creed, sex, natural origin, age, handicap or ability to pay. During 2012, the Medical Center provided 45,616 inpatient discharges and 416,514 outpatient visits which included 118,297 emergency room visits. We provided care to persons covered by government programs and the uninsured at payment rates below cost. Our surgeons performed 8,260 inpatient and 12,486 outpatient procedures in a full range of surgical specialties. Our tertiary cardiology and cardiac surgery programs serve all of Brooklyn and are widely recognized in the region for excellence in interventional cardiology. A comprehensive array of cancer services is also provided. Maimonides, a designated regional perinatal center, operates one of the busiest obstetrical services on the East Coast with 8,387 deliveries. A Level 3 Neonatal Intensive Care Unit provides highly specialized care for babies born prematurely or with birth defects. The adult and child psychiatric outpatient programs provide walk-in services for any members of the surrounding communities. Maimonides Medical Center is a 939 designated psychiatric receiving hospital. We provide full-time (24 hours/365 days per year) emergency services regardless of ability to pay and operate a 911 paramedic ambulance service under contract with the New York City Fire Department to an 800-block area including all of Boro Park and sections of Flatbush, Bensonhurst and Bay Ridge. The Medical Center supports a program of health promotion and education activities for employees and residents of its surrounding communities, including mammography and colon cancer screenings. The Medical Center is a teaching affiliate of SUNY Downstate Medical Center, St. George's University and Ross University School of Medicine. Maimonides has fully accredited residency-training programs with over 460 interns and residents. The Medical Center's estimated costs for charity care were \$45.0 million for 2012. This does not include the service loss of treating the Medicaid population. Additionally, patients who do not qualify for charity care and all uninsured inpatients who do not qualify for Medicaid assistance are billed at the Medical Center's rates. Uncollected balances for these patients are categorized as bad debts. Total uncompensated care as a result of bad debts for all patient services approximated \$11.0 million in 2012. For financial reporting purposes, the Medical Center reports as uncompensated care amounts related to care provided for which the patient's payment obligation has not been fully satisfied. Uncompensated care is the sum of the Medical Center's charity care, including free and reduced price medical care, and bad debt expense. During the registration, billing and collection process, a patient's eligibility for charity care is determined. For patients who are determined to be eligible for charity care under the Medical Center's charity care and financial aid policy, care given but not paid for is classified as charity care. The Medical Center amended its charity care and financial aid policy in order to authorize use of additional financial information for uninsured or under-insured patients who have not supplied the requisite information to qualify for charity care. The additional information obtained is used by the Medical Center to determine whether to qualify patients for charity care and/or financial aid in accordance with the Medical Center's policies. For patients who were determined by the Medical Center to have the ability to pay but did not, the uncollected amounts are classified as bad debt expense. Distinguishing between bad debt and charity care is difficult in part because services are often rendered prior to full evaluation of a patient's ability to pay.</p>

Identifier	Return Reference	Explanation
Form 990 Supplemental Information	Form 990, Part VI, Governance, Management, and Disclosure	<p>Section A Governing Body and Management 6 The organization has a member, Maimonides Health Resources, Inc (MHRI) a not-for-profit, corporation which is its sole corporate member 7a MHRI elects the trustees The board of trustees of Maimonides Medical Center (MMC) is its governing body 7b The powers of MHRI are described below MHRI is a New York not-for-profit corporation It is the sole member of MMC MHRI has the following powers pursuant to the MMC bylaws (1) MHRI elects trustees to the governing body of MMC at the annual meeting (Vacancies between annual meetings are filled by the board of trustees of MMC, not MHRI) (2) MHRI has the power to amend, modify or repeal the bylaws of MMC The board of trustees of MMC also has such power MHRI has the following power under New York's not-for-profit corporation law (1) Authorization of merger or consolidation requires MHRI's consent (2) Non-judicial dissolution requires MHRI's consent (3) MHRI has the power to petition the court for judicial dissolution (4) The sale or other disposition of all or substantially all of the assets of MMC requires MHRI's consent (5) The two boards are identical Section B Policies 11b a copy of the Form 990 is reviewed by senior executive staff, outside bond COUNSEL and the outside tax preparer who signs off on the return The reviewed return and attachments are then presented to the President and Audit and Legal Committee of the Board of Trustees to whom the responsibility for reviewing the Form 990 has been delegated for their comments and questions prior to filing UPON THEIR FINAL REVIEW A complete copy of the Form 990 is PROVIDED to the board prior to filing 12c It is the responsibility of all trustees, officers, employees and members of the medical staff to familiarize themselves with the conflicts of interest policy and to comply and ensure compliance of family members where applicable They are required to disclose in detail any activities or interests which may conflict or appear to conflict with the Medical Center's best interest The following are required to complete a conflict of interest certificate (1) trustees and officers of the Board, (2) non-trustee officers, chairmen and division chiefs and members of the purchasing department, (3) employees and members of the medical staff, who are in a position to influence vendor selection, to approve a transaction with a third party or approve the expenditure of funds, and (4) such other employees or members of the medical staff as determined from time to time by the President Employees and members of the medical staff who violate this policy are subject to disciplinary action up to and including termination or removal from the staff Members of the Board of Trustees and officers are subject to removal The Audit and Legal Committee of the Board of Trustees advises the President and the Chairman of the Board concerning specific conflicts of interest referred to it by the Senior Vice President for Legal Affairs and General Counsel The Committee decides particular matters referred to them for review, and assists in the overall administration and monitoring of the implementation of the policy The Corporate Compliance Department assists in ensuring compliance with completion of the Certificate by all relevant employees The SENIOR Vice President for Legal Affairs and General Counsel is responsible for reviewing apparent conflicts of interest and other potentially improper activities as referred by the Corporate Compliance Officer and/or the Audit and Legal Committee A report of all conflicts of interest is made by the Chairman of the Audit and Legal Committee at least annually to the Board of Trustees 15 The process for determining compensation includes the following The Medical Center's compensation committee reviews compensation surveys from independent consultants and data obtained from the Greater New York Hospital ASSOCIATION Approval for all decisions must be agreed upon by the compensation committee and is then recorded in the minutes of that committee This process was last done in 2012 for the CEO, COO, CFO and SVP for Legal Affairs/General Counsel/Assistant Secretary Section C Disclosure 19 The organization's articles of incorporation may be obtained from the NYS Secretary of State's office They are also available together with the by-laws upon special request to the Executive Office of Maimonides Medical Center at 4802 Tenth Ave, Admin Bldg, 2nd floor, Brooklyn, NY 11219 The conflict of interest policy is available on the Medical Center's website "maimonidesmed.org" in the vendor information section The audited financial statements are available upon request to the Medical Center's Executive Office and are posted on the NYS Charitable Bureau website, oag.state.ny.us</p>

Identifier	Return Reference	Explanation
OTHER CHANGES IN FUND BALANCE	FORM 999, PART XI, LINE 9	CHANGE IN EQUITY IN CAPTIVE INSURANCE PROGRAM \$9,615,000

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2012**

**Open to Public Inspection**

▶ **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.**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Maimonides Medical Center

**Employer identification number**

11-1635081

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
<b>(1)</b> MAIMONIDES RESEARCH & DEVELOPMENT FND 4802 TENTH AVENUE BROOKLYN, NY 11219 11-2608229	RESEARCH	NY	501(c)(3)	11a	MAIMONIDES M	Yes	
<b>(2)</b> MAIMONIDES HEALTH RESOURCES INC 4802 TENTH AVENUE BROOKLYN, NY 11219 11-3018258	SUPPORT ORG	NY	501(c)(3)	11a	NA		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(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	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) MMC HOLDING OF BROOKLYN INC  4510 16TH AVENUE BROOKLYN, NY 11204 11-2683298	ADMIN SERVICE	NY	NA	C CORP					

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

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

**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

**a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity

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

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

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

**e** Loans or loan guarantees by related organization(s)

**f** Dividends from related organization(s)

**g** Sale of assets to related organization(s)

**h** Purchase of assets from related organization(s)

**i** Exchange of assets with related organization(s)

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

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

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

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

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

**o** Sharing of paid employees with related organization(s)

**p** Reimbursement paid to related organization(s) for expenses

**q** Reimbursement paid by related organization(s) for expenses

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

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

	Yes	No
<b>1a</b>		No
<b>1b</b>		No
<b>1c</b>	Yes	
<b>1d</b>		No
<b>1e</b>		No
<b>1f</b>		No
<b>1g</b>		No
<b>1h</b>		No
<b>1i</b>		No
<b>1j</b>	Yes	
<b>1k</b>	Yes	
<b>1l</b>		No
<b>1m</b>		No
<b>1n</b>		No
<b>1o</b>		No
<b>1p</b>	Yes	
<b>1q</b>	Yes	
<b>1r</b>		No
<b>1s</b>	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-s)	(c) Amount involved	(d) Method of determining amount involved
<b>(1)</b> MMC HOLDING OF BROOKLYN INC	J	751,386	COST
<b>(2)</b> MMC HOLDING OF BROOKLYN INC	P	19,534,360	COST
<b>(3)</b> MMC HOLDING OF BROOKLYN INC	S	153,930	COST
<b>(4)</b> MAIMONIDES RESEARCH & DEVELOPMENT FOUNDATION	C	475,289	COST
<b>(5)</b> MAIMONIDES RESEARCH & DEVELOPMENT FOUNDATION	k	515,000	COST
<b>(6)</b> MAIMONIDES RESEARCH & DEVELOPMENT FOUNDATION	Q	117,624	COST



**Part VII** **Supplemental Information**

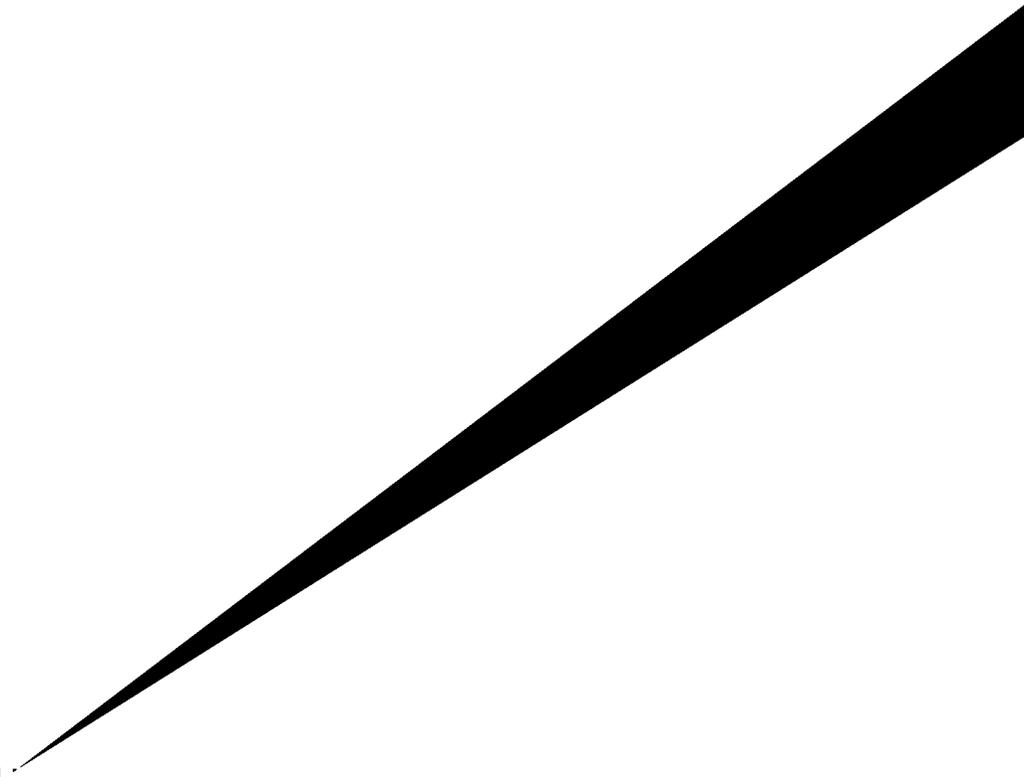
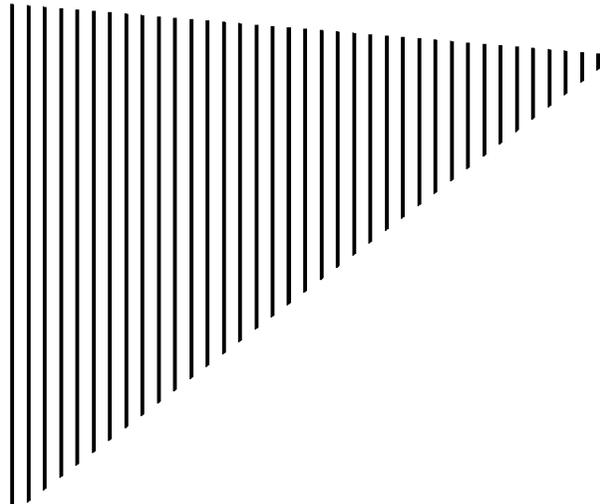
Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

<b>Identifier</b>	<b>Return Reference</b>	<b>Explanation</b>
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**Software ID:**  
**Software Version:**  
**EIN:** 11-1635081  
**Name:** Maimonides Medical Center

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

<b>(a)</b> Name of other organization	<b>(b)</b> Transaction type(a-s)	<b>(c)</b> Amount Involved	<b>(d)</b> Method of determining amount involved
MMC HOLDING OF BROOKLYN INC	J	751,386	COST
MMC HOLDING OF BROOKLYN INC	P	19,534,360	COST
MMC HOLDING OF BROOKLYN INC	S	153,930	COST
MAIMONIDES RESEARCH & DEVELOPMENT FOUNDATION	C	475,289	COST
MAIMONIDES RESEARCH & DEVELOPMENT FOUNDATION	k	515,000	COST
MAIMONIDES RESEARCH & DEVELOPMENT FOUNDATION	Q	117,624	COST



FINANCIAL STATEMENTS

Maimonides Medical Center  
Years Ended December 31, 2012 and 2011  
With Report of Independent Auditors

Ernst & Young LLP

 **ERNST & YOUNG**

Maimonides Medical Center

Financial Statements

Years Ended December 31, 2012 and 2011

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## Report of Independent Auditors

The Board of Trustees  
Maimonides Medical Center

We have audited the accompanying financial statements of Maimonides Medical Center (the “Medical Center”), which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements

### **Management’s Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U S generally accepted accounting principles, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Maimonides Medical Center at December 31, 2012 and 2011, and the results of its operations and changes in net assets and its cash flows for the years then ended in conformity with U S generally accepted accounting principles

## **Change in Presentation of the Provision for Bad Debts**

As discussed in Note 1 to the accompanying financial statements, in 2012 the Medical Center adopted the provisions of Accounting Standards Update No 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, which resulted in a change to the presentation of the provision for bad debts on the statements of operations and changes in net assets effective January 1, 2011. Our opinion is not modified with respect to this matter.

*Ernst + Young LLP*

May 1, 2013

Maimonides Medical Center  
Statements of Financial Position

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 45,171	\$ 47,188
Short-term investments <i>(Notes 1 and 3)</i>	<b>98,481</b>	95,294
Total cash, cash equivalents and short-term investments	<b>143,652</b>	142,482
Assets limited as to use, current portion <i>(Note 3)</i> :		
Board designated	<b>13,774</b>	13,757
Medical resident FICA refund <i>(Note 1)</i>	<b>12,508</b>	-
Receivables for patient care, net of allowance for doubtful accounts (2012 – \$94,696, 2011 – \$83,819) <i>(Note 2)</i>	<b>141,247</b>	131,916
Due from affiliates, net, current portion <i>(Note 8)</i>	<b>9,376</b>	7,300
Supplies, at average cost	<b>9,271</b>	8,851
Estimated insurance claims receivable, current portion <i>(Note 7)</i>	<b>29,122</b>	28,000
Other current assets <i>(Note 1)</i>	<b>25,703</b>	45,866
Total current assets	<b>384,653</b>	378,172
Assets limited as to use, less current portion <i>(Notes 3, 5 and 7)</i> :		
Sinking funds	<b>14,083</b>	12,883
Collateral	<b>2,630</b>	2,630
Self-insurance trust	<b>4,296</b>	3,917
Long-term investment funds <i>(Notes 1 and 3)</i>	-	1,102
Due from affiliates, net, less current portion <i>(Note 8)</i>	<b>2,761</b>	2,607
Property, plant and equipment, net <i>(Notes 4 and 5)</i>	<b>347,557</b>	340,954
Equity in captive insurance program <i>(Note 7)</i>	<b>62,321</b>	52,707
Estimated insurance claims receivable, less current portion <i>(Note 7)</i>	<b>165,022</b>	158,668
Other assets <i>(Note 1)</i>	<b>24,962</b>	16,534
Total assets	<b>\$ 1,008,285</b>	\$ 970,174

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
<b>Liabilities and net assets</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 62,488	\$ 54,948
Construction payable	11,271	7,291
Accrued salaries and related liabilities	82,817	74,152
Current portion of long-term debt and capital lease obligations <i>(Note 5)</i>	26,176	21,181
Line of credit borrowings <i>(Note 5)</i>	15,976	18,408
Estimated insurance claims liabilities, current portion <i>(Note 7)</i>	29,122	28,000
Other current liabilities <i>(Notes 1 and 7)</i>	31,686	41,812
Total current liabilities	<u>259,536</u>	245,792
Long-term debt and capital lease obligations, less current portion <i>(Note 5)</i>		
	181,810	158,532
Accrued pension and postretirement benefits <i>(Note 6)</i>	68,094	59,170
Other noncurrent liabilities <i>(Notes 2 and 5)</i>	108,311	127,878
Professional liabilities <i>(Note 7)</i>	31,996	41,912
Estimated insurance claims liabilities, less current portion <i>(Note 7)</i>	165,022	158,668
Total liabilities	<u>814,769</u>	791,952
Commitments and contingencies <i>(Notes 2, 5, 6, 7, 9, 14 and 15)</i>		
Net assets <i>(Note 9)</i> :		
Unrestricted	178,480	162,652
Temporarily restricted	13,904	14,438
Permanently restricted	1,132	1,132
Total net assets	<u>193,516</u>	178,222
Total liabilities and net assets	<u>\$ 1,008,285</u>	<u>\$ 970,174</u>

*See accompanying notes.*

## Maimonides Medical Center

### Statements of Operations and Changes in Net Assets

	<b>Year Ended December 31</b>	
	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
Operating revenue		
Net patient service revenue	\$ 962,633	\$ 942,798
Provision for bad debts <i>(Notes 1 and 2)</i>	<b>(11,344)</b>	(15,122)
Net patient service revenue less provision for bad debts <i>(Note 2)</i>	<b>951,289</b>	927,676
Other revenue <i>(Note 10)</i>	59,701	48,654
Net assets released from restrictions	<b>1,810</b>	1,765
Total operating revenue	<b>1,012,800</b>	978,095
Operating expenses		
Salaries and wages	<b>504,949</b>	476,048
Employee benefits	<b>147,268</b>	142,293
Supplies and other expenses	<b>298,151</b>	296,516
Depreciation and amortization	<b>50,201</b>	46,098
Interest and amortization of deferred financing costs	<b>11,013</b>	10,608
Total operating expenses	<b>1,011,582</b>	971,563
Excess of operating revenue over operating expenses before other items	<b>1,218</b>	6,532
Change in captive insurance program interest rate shortfall <i>(Note 7)</i>	<b>6,981</b>	(10,383)
Change in equity in captive insurance program <i>(Note 7)</i>	<b>9,615</b>	(1,727)
Medical residents FICA refund <i>(Note 1)</i>	<b>3,652</b>	-
Excess (deficiency) of revenue over expenses before net change in unrealized gains and losses on investments and change in fair value of interest rate swap agreements	<b>21,466</b>	(5,578)
Net change in unrealized gains and losses on investments and change in fair value of interest rate swap agreements <i>(Note 5)</i>	<b>(514)</b>	1,248
Excess (deficiency) of revenue over expenses	<b>20,952</b>	(4,330)
Change in accrued pension and postretirement benefits liabilities to be recognized in future periods	<b>(6,308)</b>	(11,099)
Grants for capital asset acquisitions and net assets released from restrictions used for capital asset acquisitions	<b>1,184</b>	8,863
Increase (decrease) in unrestricted net assets	<b>15,828</b>	(6,566)
Temporarily restricted net assets		
Restricted contributions, grants and other receipts	<b>1,800</b>	1,937
Net assets released from restrictions		
Operating expenses	<b>(1,810)</b>	(1,765)
Capital asset acquisitions	<b>(524)</b>	(350)
Decrease in temporarily restricted net assets	<b>(534)</b>	(178)
Increase (decrease) in net assets	<b>15,294</b>	(6,744)
Net assets at beginning of year	<b>178,222</b>	184,966
Net assets at end of year	<b>\$ 193,516</b>	\$ 178,222

*See accompanying notes*

# Maimonides Medical Center

## Statements of Cash Flows

	<b>Year Ended December 31</b>	
	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
<b>Operating activities</b>		
Increase (decrease) in net assets	\$ 15,294	\$ (6,744)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities		
Change in accrued pension and postretirement benefits liabilities to be recognized in future periods	6,308	11,099
Depreciation and amortization	50,201	46,098
Amortization of deferred financing costs	1,231	359
Net change in unrealized gains and losses on investments and change in fair value of interest rate swap agreements	514	(1,248)
Restricted contributions, grants and other receipts	(1,800)	(1,937)
Changes in operating assets and liabilities		
Receivables for patient care	(9,331)	(12,223)
Due from affiliates	(2,230)	(2,526)
Other assets	(1,516)	(11,276)
Accounts payable and accrued expenses and accrued salaries and related liabilities	16,205	(1,065)
Other current liabilities	(10,126)	(1,942)
Other liabilities	(16,113)	35,181
Net cash provided by operating activities	<u>48,637</u>	<u>53,776</u>
<b>Investing activities</b>		
Purchase of investments	(1,759)	(1,693)
Acquisitions of property, plant and equipment – net (Purchase) redemption of assets limited as to use	(51,555)	(44,596)
Purchase of sinking funds	(12,963)	378
Purchase of sinking funds	(1,278)	(1,630)
Net cash used in investing activities	<u>(67,555)</u>	<u>(47,541)</u>
<b>Financing activities</b>		
Repayments of long-term debt and capital lease obligations	(50,351)	(21,725)
Restricted contributions, grants and other receipts	1,800	1,937
Line of credit (repayments) drawdown	(2,432)	2,000
Proceeds from financing	67,884	14,745
Net cash provided by (used in) financing activities	<u>16,901</u>	<u>(3,043)</u>
Net (decrease) increase in cash and cash equivalents	(2,017)	3,192
Cash and cash equivalents at beginning of year	47,188	43,996
Cash and cash equivalents at end of year	<u>\$ 45,171</u>	<u>\$ 47,188</u>
<b>Supplemental disclosures of cash flow information</b>		
Cash paid for interest	\$ 9,259	\$ 10,302
Capital lease arrangements, excluding those funded with cash	<u>\$ 5,249</u>	<u>\$ 10,791</u>

*See accompanying notes*

# Maimonides Medical Center

## Notes to Financial Statements

December 31, 2012

### **1. Organization and Summary of Significant Accounting Policies**

#### **Organization**

Maimonides Medical Center (the “Medical Center”) is a not-for-profit membership corporation, organized under the New York State not-for-profit corporation law, whose sole member is Maimonides Health Resources, Inc (“MHRI”) Located in Brooklyn, New York, the Medical Center provides health care and related services to residents of the metropolitan New York area The accompanying financial statements do not include the accounts of MHRI, the Maimonides Research and Development Foundation, a not-for-profit corporation which solicits funds and awards grants primarily to the Medical Center for research purposes, or MMC Holding of Brooklyn, Inc , a for-profit company, which provides certain support services to the Medical Center and the surrounding community (see Note 8)

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, such as estimated uncollectibles for accounts receivable for services to patients, estimated settlements with third-party payors, estimated insurance claims liabilities and receivables and retirement liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements Estimates also affect the amounts of revenues and expenses reported during the period Actual results could differ from those estimates

#### **Cash and Cash Equivalents**

The Medical Center considers all highly liquid investments with a maturity of three months or less at the date of purchase to be cash equivalents Cash and cash equivalents exclude assets limited as to use

#### **Investments**

Investments consist of cash equivalents, U S government obligations, corporate bonds, a mutual fund, a certificate of deposit and alternative investments Investments, other than alternative investments, are recorded at fair value based on quoted market prices

# Maimonides Medical Center

## Notes to Financial Statements (continued)

### **1. Organization and Summary of Significant Accounting Policies (continued)**

Alternative investments (nontraditional, not readily marketable securities) consisted of two investment vehicles: an equity fund and a fund of funds. The Medical Center's ownership of the equity fund and the fund of funds was carried on the equity method of accounting at net asset value per share. The Medical Center redeemed its investments in the equity fund during 2011 and the fund of funds during 2012.

Investment income, which comprises interest and realized gains and losses on investments as well as the change in equity in alternative investments, is reported as a component of other revenue. The net change in unrealized gains and losses on investments is reported as a separate component of the excess (deficiency) of revenue over expenses.

#### **Net Patient Service Revenue and Accounts Receivable**

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 revenue adjustments due to ongoing and future audits, reviews and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews and investigations.

The Medical Center recognizes patient service revenue associated with services provided to patients who have third-party payor (insurance) coverage on the basis of contractual rates, governmental rates or established charges for the services rendered. For uninsured patients who are ineligible for any government assistance program, the Medical Center provides services without charge or at amounts less than its established rates to patients who meet the criteria of its charity care policy. For uninsured patients and patients who were determined by the Medical Center to have the ability to pay but do not, including those covered by insurance who might be responsible for copayments and deductibles, the estimated uncollectible amounts are recorded as bad debts.

Patient revenue for 2012, net of contractual and charity care allowances, from third-party payors (insured patients) was approximately \$953.4 million and from self-pay patients was approximately \$9.2 million, before the provision for bad debts. For accounts receivable associated with services provided to patients who have third-party coverage, the Medical Center analyzes amounts due from third-parties and provides an allowance for doubtful accounts and a provision for bad debts. For accounts receivable associated with self-pay patients, which includes

# Maimonides Medical Center

## Notes to Financial Statements (continued)

### **1. Organization and Summary of Significant Accounting Policies (continued)**

both patients without insurance and patients with deductible and copayment balances due after third-party coverage, the Medical Center records an allowance for doubtful accounts and provision for uncompensated care (charity care and bad debts) in the period of service based on historical experience

The allowance for doubtful accounts represents the Medical Center's estimate of the uncollectible accounts receivable related to bad debts. Additions to the allowance for doubtful accounts result from the provision for bad debts. Accounts written off as uncollectible are deducted from the allowance for doubtful accounts. The allowance for doubtful accounts is based upon the Medical Center's assessment of historical and expected net collections, business and economic conditions, trends in health care coverage and other collection indicators. In distinguishing charity care from the provision for bad debts, a number of factors are considered, certain of which require a high degree of judgment. Accounts that initially are estimated to be bad debts might ultimately be written off to charity care.

#### **Uncompensated Care**

For financial reporting purposes, the Medical Center reports as uncompensated care amounts related to care provided for which the patient's payment obligation has not been fully satisfied. Uncompensated care is the sum of the Medical Center's charity care, including free and reduced price medical care, and bad debts. During the registration, billing and collection process, a patient's eligibility for charity care is determined. For patients who are determined to be eligible for charity care under the Medical Center's charity care and financial aid policy, care given but not paid for is classified as charity care. The Medical Center amended its charity care and financial aid policy in order to authorize use of additional financial information for uninsured or under-insured patients who have not supplied the requisite information to qualify for charity care. The additional information obtained is used by the Medical Center to determine whether to qualify patients for charity care and/or financial aid in accordance with the Medical Center's policies. For patients who were determined by the Medical Center to have the ability to pay but did not, the uncollected amounts are classified as bad debts. Distinguishing between bad debt and charity care is difficult in part because services are often rendered prior to full evaluation of a patient's ability to pay.

The Medical Center's estimated costs for charity care were \$45.0 million for 2012 and \$37.0 million for 2011. This does not include the service loss of treating the Medicaid population. The cost of charity includes the direct and indirect cost of providing charity care.

# Maimonides Medical Center

## Notes to Financial Statements (continued)

### **1. Organization and Summary of Significant Accounting Policies (continued)**

services. The cost is estimated by utilizing a ratio of cost to gross charges applied to the gross uncompensated charges associated with providing charity care. Net of pool contributions, funds received from the New York State Indigent Care Pool to offset bad debts and charity care provided totaled \$9.4 million and \$9.5 million for the years ended December 31, 2012 and 2011, respectively. The charity care component of the indigent care pool payments is estimated utilizing a ratio of charity care charges to total charity care and bad debt charges applied to the indigent care pool reimbursement and excludes amounts designated for teaching programs.

#### **Assets Limited as to Use**

Assets limited as to use include assets designated by the Board of Trustees, over which the Board retains control and which the Board, at its discretion, may designate for use for other purposes, cash to be remitted to medical residents who participated in the FICA refund claims, assets held by trustees under bond indenture agreements, assets restricted for self-insurance, and assets restricted by donors for specific purposes or endowment. Assets limited as to use are carried at fair value based on quoted market prices. Amounts which are available to be used to fund current liabilities are reported as current assets.

#### **Property, Plant and Equipment**

Property, plant and equipment are stated at cost, except for donated equipment, which is recorded at the fair value established at the date of the gift. Assets acquired through capitalized lease obligations are recorded at the present value of the future minimum lease payments. The carrying amounts of assets and the related accumulated depreciation are removed from the accounts when such assets are disposed of, and any resulting gain or loss is included in operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

Equipment acquired under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation and amortization expense in the accompanying statements of operations and changes in net assets. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### **1. Organization and Summary of Significant Accounting Policies (continued)**

##### **Other Assets**

Included in other assets are deferred costs, pledges receivable, other noncurrent investments and funding available to be spent on capital leased fixed assets. Deferred costs are approximately \$3.0 million and \$4.2 million at December 31, 2012 and 2011, respectively, net. Deferred costs include costs incurred with respect to debt financing and are amortized using the effective interest method over the period the applicable obligation is outstanding. Included in the \$3.0 million of deferred costs at December 31, 2012 are approximately \$0.4 million related to the 1996 FHA Section 242 mortgage loan (see Note 5) and \$2.6 million related to the 2004 FHA Section 241 mortgage loan (see Note 5). At December 31, 2012 and 2011, the accumulated amortization for deferred costs was approximately \$3.5 million and \$3.2 million, respectively. Amortization of deferred financing costs is included in interest and amortization of deferred financing costs in the accompanying statements of operations and changes in net assets. Pledges receivable are approximately \$829,000 and \$708,000 at December 31, 2012 and 2011, respectively. Pledges receivable are unconditional promises to give cash, which are reported at the present value of their estimated cash flows at the date the promise is received. Funding available to be spent on capital leased fixed assets was approximately \$6.8 million at December 31, 2012 (\$1.3 million at December 31, 2011).

##### **Equity Investments**

Included in other assets is an amount related to the Medical Center's investment in a limited liability company. The Medical Center accounts for this investment using the equity method of accounting. During 2012 and 2011, the Medical Center recognized income of approximately \$3.1 million and \$3.0 million, respectively, and received distributions of approximately \$1.2 million and \$1.7 million, respectively.

Additionally, the Medical Center has an investment in First to Care Home Care, Inc., a joint venture with Metropolitan Jewish Geriatric Corporation. As a result of its ownership in this joint venture, the Medical Center recorded a loss of approximately \$1.5 million in its statement of operations and changes in net assets for the year ended December 31, 2011. This joint venture was terminated in 2012 and the Medical Center has recorded a gain of approximately \$1.4 million in its statement of operations and changes in net assets for the year ended December 31, 2012.

##### **Temporarily and Permanently Restricted Net Assets**

The Medical Center separately accounts for and reports upon donor restricted and unrestricted net assets.

# Maimonides Medical Center

## Notes to Financial Statements (continued)

### **1. Organization and Summary of Significant Accounting Policies (continued)**

Temporarily restricted net assets are those whose use is temporarily limited by the donor. Permanently restricted net assets have been restricted by donors to be maintained by the Medical Center in perpetuity. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose of restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of operations and changes in net assets as net assets released from restrictions.

#### **Faculty Practice Revenue**

All employed physicians may participate in the Medical Center's faculty practice plan. Plan participants are authorized to conduct faculty practices and engage in professional consultation in accordance with established institutional guidelines. Professional service fee receipts are recorded and deposited in faculty practice funds established by the Medical Center for each individual participant or group practice when received by the Medical Center. Portions of these receipts are used to reimburse the Medical Center for costs incurred in supporting plan activities. The remaining amounts, after direct plan expenses, provide participant salary supplements and support departmental activities. Faculty practice revenue activities are included in net patient service revenue and are recorded on a modified cash basis, which approximates the accrual basis with respect to the accompanying statements of operations and changes in net assets. Physicians comprising the faculty practices participate in the Medical Center's professional and general liability insurance programs.

#### **Performance Indicator**

The statements of operations and changes in net assets include the excess (deficiency) of revenue over expenses as the performance indicator. Certain items that are peripheral to the Medical Center's operations (e.g., change in captive insurance program interest rate shortfall, change in equity in captive insurance program, medical residents FICA refund and net change in unrealized gains and losses on investments and change in fair value of interest rate swap agreements) are considered non-operating for purposes of financial statement presentation. Changes in unrestricted net assets which are excluded from the excess (deficiency) of revenue over expenses include contributions of long-lived assets (including grants for capital asset acquisitions and net assets released from restriction used for capital asset acquisitions) and the change in accrued pension and postretirement benefits liabilities to be recognized in future periods.

# Maimonides Medical Center

## Notes to Financial Statements (continued)

### 1. Organization and Summary of Significant Accounting Policies (continued)

#### Interest Rate Swap Agreements

The Medical Center uses interest rate swap agreements, which are derivative financial instruments, for interest rate risk exposure-management purposes. The Medical Center recognizes derivative instruments as either an asset or liability in the statements of financial position at fair value. The fair value of derivative instruments is determined using forward interest rate estimates and present value techniques and considers the risk of nonperformance by the parties, which the Medical Center considers to be low. The change in fair value is recognized as a component of the excess (deficiency) of revenue over expenses. The fair value of the interest rate swap agreements is included in other noncurrent liabilities in the accompanying statements of financial position.

#### Tax Status

The Medical Center is a Section 501(c)(3) organization exempt from Federal income taxes under Section 501(a) of the Internal Revenue Code. It also is exempt from New York State and City income taxes.

#### Change in Accounting Principle

In July 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* ("ASU No. 2011-07"). In accordance with ASU No. 2011-07, the Medical Center is required to present its provision for bad debts related to patient service revenue as a deduction from revenue, similar to contractual discounts. Accordingly, the Medical Center's revenue is reported net of both contractual discounts as well as its provision for bad debts related to patient service revenue. Additionally, ASU No. 2011-07 requires the Medical Center to make certain additional disclosures designed to help financial statement users understand how contractual discounts and bad debts affect recorded revenue in annual financial statements. ASU No. 2011-07 is required to be applied retrospectively and is effective for fiscal years beginning after December 15, 2011. The Medical Center adopted the provisions of ASU No. 2011-07 as of and for the year ended December 31, 2012 and retrospectively applied the presentation requirements to all periods presented. The change had no effect on net assets or the change therein.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### **1. Organization and Summary of Significant Accounting Policies (continued)**

##### **Medical Residents FICA Refund**

In March 2010, the Internal Revenue Service (“IRS”) announced that, for periods ending before April 1, 2005, medical residents would be eligible for the student exception of Federal Insurance Contributions Act (“FICA”) taxes. Under the student exception, FICA taxes do not apply to wages for services performed by students employed by a school, college, or university where the student is pursuing a course of study. As a result, the IRS will allow refunds for institutions that file timely FICA refund claims and provide certain information to meet the requirements of perfection, established by the IRS, for their claims applicable to periods prior to April 1, 2005. Institutions are potentially eligible for medical resident FICA refunds for both the employer and employee portions of FICA taxes paid, plus statutory interest.

In 2010, the Medical Center recorded estimated net revenue of approximately \$10.7 million related to FICA medical resident refund claims and accumulated interest that were expected to meet the IRS requirements to be eligible for refunds. The Medical Center established its estimate based on information available, subject to change as the IRS adjudicates the claims.

In the fourth quarter of 2012, the Medical Center received approximately \$14.4 million as compared to the \$10.7 million in expected revenue accrued in 2010. The amount received in excess of the amount receivable recorded previously was approximately \$3.7 million, which is recognized in the accompanying 2012 statement of operations and changes in net assets. The Medical Center also received \$12.5 million of funds collected on behalf of and, therefore, to be remitted to medical residents. This amount is reflected as assets limited as to use, with a corresponding other current liability at December 31, 2012. In 2013, the Medical Center received and recognized an additional \$2.4 million, including \$1.2 million to be remitted to medical residents.

##### **Reclassifications**

Certain reclassifications have been made to amounts previously reported in 2011 to conform with the current year’s presentation.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### **2. Third-Party Payor System**

*Non-Medicare Reimbursement:* In New York State, hospitals and all non-Medicare payers, except Medicaid, workers' compensation and no-fault insurance programs, negotiate hospitals' payment rates. If negotiated rates are not established, payers are billed at hospitals' established charges. Medicaid, workers' compensation and no-fault payers pay hospital rates promulgated by the New York State Department of Health. Payments to hospitals for Medicaid, workers' compensation and no-fault inpatient services are based on a statewide prospective payment system, with retroactive adjustments. Outpatient services also are paid based on a statewide prospective system, APGs (Ambulatory Payment Group). Medicaid rate methodologies are subject to approval at the Federal level by the Centers for Medicare and Medicaid Services ("CMS"), which may routinely request information about such methodologies prior to approval. Revenue related to specific rate components that have not been approved by CMS is not recognized until the Medical Center is reasonably assured that such amounts are realizable. Adjustments to the current and prior years' payment rates for those payers will continue to be made in future years.

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

The Medical Center has established estimates, based on information presently available, of amounts due to or from Medicare and non-Medicare payers for adjustments to current and prior years' payment rates, based on industry-wide and Medical Center-specific data. Medicare cost reports, which serve as the basis for final settlement with the Medicare program, have been audited by the Medicare fiscal intermediary and settled through 2008. Other years remain open for audit and settlement as are numerous issues related to the New York State Medicaid program for prior years. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount when open years are settled and additional information is obtained.

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

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### **2. Third-Party Payor System (continued)**

For the years ended December 31, 2012 and 2011, revenue from the Medicare and Medicaid programs on a combined basis accounted for approximately 76% and 75%, respectively, of the Medical Center's net patient service revenue. The current Medicaid, Medicare and other third-party payor programs are based upon extremely complex laws and regulations that are subject to interpretation. The Medical Center is not aware of any allegations of noncompliance that could have a material adverse effect on the accompanying financial statements and believes that it is in compliance, in all material respects, with all applicable laws and regulations. Action for noncompliance could result in repayment of amounts improperly reimbursed, fines, penalties and exclusion from such programs.

Maimonides Medical Center

Notes to Financial Statements (continued)

**3. Investments and Assets Limited as to Use**

A summary of investments and assets limited as to use is as follows

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
Short-term investments		
U S government obligations	\$ 68,585	\$ 66,936
Corporate bonds	27,179	25,647
Time deposits	2,000	2,000
Alternative investments	–	12
Accrued interest	717	699
Total short-term investments	<u>\$ 98,481</u>	<u>\$ 95,294</u>
Assets limited as to use – current portion		
Board designated		
Cash and cash equivalents	\$ 5,959	\$ 6,156
U S government obligations	7,769	7,504
Accrued interest	46	97
Total board designated	<u>13,774</u>	<u>13,757</u>
Medical resident FICA refund		
Cash and cash equivalents	<u>12,508</u>	–
Total medical resident FICA refund	<u>12,508</u>	–
Total assets limited as to use – current portion	<u>\$ 26,282</u>	<u>\$ 13,757</u>
Assets limited as to use – noncurrent portion		
Sinking funds		
Cash and cash equivalents	\$ 413	\$ 381
U S government obligations	13,594	12,419
Accrued interest	76	83
Total sinking funds	<u>14,083</u>	<u>12,883</u>
Collateral for standby letter of credit ( <i>Note 5</i> )		
Certificate of deposit	2,630	2,630
Self-insurance trust		
Mutual fund	<u>4,296</u>	<u>3,917</u>
Total assets limited as to use – noncurrent portion	<u>\$ 21,009</u>	<u>\$ 19,430</u>
Long-term investment funds		
Alternative investments	\$ –	\$ 1,102

Maimonides Medical Center

Notes to Financial Statements (continued)

**3. Investments and Assets Limited as to Use (continued)**

Investment income comprises the following for the years ended

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
Interest income	\$ 2,548	\$ 2,696
Net realized gains on investments reported at fair value and equity in earnings of alternative investments	<b>2,842</b>	5,659
Equity in earnings of investees	<b>4,543</b>	1,480
	<b>\$ 9,933</b>	<b>\$ 9,835</b>

**4. Property, Plant and Equipment**

A summary of property, plant and equipment is as follows

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
Land	\$ 4,980	\$ 4,980
Buildings and building improvements	<b>392,902</b>	393,396
Equipment	<b>564,557</b>	516,789
	<b>962,439</b>	915,165
Less accumulated depreciation and amortization	<b>626,765</b>	576,564
	<b>335,674</b>	338,601
Capital projects in progress	<b>11,883</b>	2,353
	<b>\$ 347,557</b>	<b>\$ 340,954</b>

Substantially all property, plant and equipment are pledged as collateral under various loan agreements (see Note 5)

Maimonides Medical Center

Notes to Financial Statements (continued)

**4. Property, Plant and Equipment (continued)**

Capitalized leases, included in property, plant and equipment, are as follows

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
Assets recorded under capital leases	\$ 120,100	\$ 87,958
Less accumulated amortization	67,659	59,448
	<b>\$ 52,441</b>	<b>\$ 28,510</b>

**5. Long-Term Debt, Capital Lease Obligations, Other Borrowings and Related Matters**

A summary of long-term debt is as follows

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
1996 FHA Section 242 insured mortgage loan (a and c)	\$ 9,970	\$ 10,669
2004 FHA Section 241 insured mortgage loan (b and d)	91,423	94,041
Construction bank loans (e and g)	20,359	2,822
Capital lease obligations (f)	59,798	45,836
2006 New York City Capital Resource Corporation loan (g)	–	26,345
Syndicated bank credit facility (g)	26,436	–
	<b>207,986</b>	<b>179,713</b>
Less current portion	26,176	21,181
	<b>\$ 181,810</b>	<b>\$ 158,532</b>

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### **5. Long-Term Debt, Capital Lease Obligations, Other Borrowings and Related Matters (continued)**

- (a) In 1977 and 1983, the Medical Center entered into mortgage loan agreements to expand its facilities. Repayment of the loans was insured under the provisions of the Federal Housing Administration (“FHA”) Hospital Mortgage Loan Program, with the Dormitory Authority of the State of New York (“DASNY”). In April 1996, the Medical Center entered into an FHA Section 242 mortgage loan agreement to borrow \$32.7 million. Some of the proceeds from this agreement (\$15.8 million) were used to refinance the 1977 mortgage loan agreement. Under the terms of the agreement, for this element of the loan, monthly installments approximating \$210,000 were applied to principal and interest, at 5.75% per annum, through August 2005. This portion of the mortgage was satisfied in 2005.

Other proceeds from the 1996 mortgage loan (\$16.8 million) were used to finance the expansion and modernization of the Medical Center’s facilities. For this element of the loan, monthly payments of approximately \$115,000 are applied to principal and interest, at 6.55% per annum, through October 2022.

As a condition of these borrowings, the Medical Center is required to establish and maintain a sinking fund. Amounts deposited into the sinking fund, together with investment earnings thereon, are available for principal payments and purchases of specified levels of capital assets. Assets on deposit in the sinking fund at December 31, 2012 and 2011 are in compliance with the required amounts. This loan was refinanced in March 2013 (see Note 5(c)).

- (b) In June 2004, the Medical Center entered into an FHA Section 241 loan in the amount of \$104.7 million. Proceeds of the loan, which were raised by DASNY through the issuance of tax-exempt revenue bonds, supported the Medical Center’s major modernization project. The loan is insured by FHA. The loan bore interest at 7.5% during the construction period (based on amounts drawn) until final endorsement and thereafter at a rate of 5.45% with monthly payments commencing April 1, 2007 through March 1, 2032. This project was completed in 2009. Although final endorsement occurred in March 2013, effective November 2009, DASNY approved the monthly interest rate of 5.45%.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### **5. Long Term-Debt, Capital Lease Obligations, Other Borrowings and Related Matters (continued)**

Under the terms of the agreements, the Medical Center was required to maintain three standby letters of credit. The first letter of credit was cancelled in 2009, based upon the approval of DASNY. The second letter of credit in the amount of \$1.5 million through February 2, 2013 was cancelled based upon the approval of DASNY related to the application of the final equity payment. The third letter of credit in the amount of \$2.2 million that was due to expire on February 1, 2016, and was fully collateralized, has also been cancelled.

As a condition of this borrowing, the Medical Center is required to establish and maintain a sinking fund. Amounts deposited into the sinking fund, together with investment earnings thereon, are available for principal payments. Assets on deposit in the sinking fund at December 31, 2012 and 2011 are in compliance with the required amounts. This loan was refinanced in March 2013 (see Note 5(d)).

- (c) In March 2013, the Medical Center refinanced its 1996 FHA loan in the amount of \$9.8 million. Proceeds were raised by the Medical Center through the issuance of GNMA collateralized taxable revenue bonds (the "GNMA Taxable Bonds"). This loan remains insured by FHA. The loan bears interest at 3.595% with monthly payments commencing April 1, 2013 through October 1, 2022.

As a condition of this borrowing, the Medical Center is required to maintain a sinking fund. Amounts deposited into the sinking fund, together with investment earnings thereon, are available for principal payments and purchases of specific levels of capital assets.

- (d) In March 2013, the Medical Center refinanced its 2004 FHA loan in the amount of \$90.7 million. Proceeds were raised by the Medical Center through the issuance of GNMA Taxable Bonds. This loan remains insured by FHA. The loan bears interest at 3.595% with monthly payments commencing April 1, 2013 through March 1, 2032.

As a condition of this borrowing, the Medical Center is required to maintain a sinking fund. Amounts deposited into the sinking fund, together with investment earnings thereon, are available for principal payments.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### 5. Long-Term Debt, Capital Lease Obligations, Other Borrowings and Related Matters (continued)

- (e) The Medical Center entered into a ten-year, \$8.0 million construction bank loan in February 2004 for the renovation of the property to house a comprehensive cancer center. The interest rate is variable and was 1.46% and 1.51% at December 31, 2012 and 2011, respectively. Monthly payments are due through January 2014.

During 2005, the Medical Center entered into a second construction loan for ten years in the amount of \$2.5 million for additional renovations of the cancer center. The interest rate for this loan is variable and was 1.46% and 1.52% at December 31, 2012 and 2011, respectively. Monthly payments are due through August 2015.

- (f) The Medical Center has various capital lease obligations with interest rates ranging up to 6.7%.
- (g) On May 25, 2006, the Medical Center entered into a loan agreement in the amount of \$31.2 million. The proceeds of the loan, which were raised by the New York City Capital Resource Corporation through the issuance of tax-exempt revenue bonds, were used to renovate, improve, repair and equip the Medical Center's facilities. The loan bore interest at a variable rate, which was 1.82% (including letter of credit fees) at December 31, 2011, with monthly payments due through 2026. The loan was secured by a letter of credit of approximately \$26.6 million which was due to expire on May 25, 2016.

On June 1, 2012, this loan was prepaid and refinanced with a syndicated bank credit facility that bears interest at December 31, 2012 at 1.91% with monthly payments through June 2019. The syndicated arrangement also includes a construction loan of \$20.0 million, that bears interest at 1.91% at December 31, 2012, with monthly payments through June 2019. In connection with the refinancing, the Medical Center wrote off deferred financing costs of approximately \$915,000, which is included in interest and amortization of deferred financing costs in the accompanying 2012 statement of operations and changes in net assets. As part of these financing transactions, the Medical Center restructured its existing lines of credit with two banks (\$40.0 million) to one line of credit for \$30.0 million, as of December 31, 2012, approximately \$16.0 million was outstanding (interest rate of 1.86%, due June 28, 2013).

Maimonides Medical Center

Notes to Financial Statements (continued)

**5. Long-Term Debt, Capital Lease Obligations, Other Borrowings and Related Matters (continued)**

Scheduled principal payments on long-term debt and capital lease obligations are as follows

	<b>Loans Payable</b>	<b>Capital Leases</b>	<b>Total</b>
	<i>(In Thousands)</i>		
2013	\$ 8,508	\$ 18,901	\$ 27,409
2014	8,026	15,107	23,133
2015	8,241	14,096	22,337
2016	8,469	8,899	17,368
2017	8,884	4,917	13,801
Thereafter	106,060	624	106,684
Total minimum payments	148,188	62,544	210,732
Less amounts representing interest	—	2,746	2,746
Total long-term debt	148,188	59,798	207,986
Less current portion of long-term debt	8,508	17,668	26,176
Long-term debt, net of current portion	<u>\$ 139,680</u>	<u>\$ 42,130</u>	<u>\$ 181,810</u>

As a result of the refinancing in March 2013, the scheduled principal payments did not change significantly

Required sinking fund balances for loan agreements revised in March 2013 for the next five years are as follows (in thousands)

2013	\$ 13,489
2014	14,567
2015	15,572
2016	16,553
2017	16,290

As discussed in Note 7, the Medical Center also has a letter of credit from a bank of \$10 million at December 31, 2012, for the benefit of one of its captive insurance companies. This letter of credit expires on November 1, 2013. During the years ended December 31, 2012 and 2011, no drawdowns were made under this letter of credit agreement. The Medical Center expects to extend this letter of credit in 2013.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### **5. Long-Term Debt, Capital Lease Obligations, Other Borrowings and Related Matters (continued)**

In addition, the Medical Center maintained two lines of credit with two banks, in the amount of \$20 million each. At December 31, 2011, approximately \$18.4 million was outstanding on these two lines of credit. The drawdowns were for interim financing of capital expenditures and working capital needs. The average interest rate charged in 2011 was 2.3% on one line and 2.2% on the other. These lines of credit were to expire on June 22, 2012 and July 31, 2012, respectively. As indicated in Note 5(g), the Medical Center restructured its existing lines of credit with the two banks (\$40.0 million) to one line of credit for \$30.0 million, as of December 31, 2012, approximately \$16.0 million was outstanding. The average interest rate charged in 2012 was 1.7%.

In connection with various debt agreements, the Medical Center is required to maintain certain financial covenants. The Medical Center was not in compliance with the current ratio financial covenant related to its FHA mortgage loans at December 31, 2012. The Medical Center has notified the U.S. Department of Housing and Urban Development of the noncompliance for 2012. This noncompliance does not constitute an event of default under the terms of the related agreements.

#### **Interest Rate Swap Agreements**

The Medical Center uses interest rate swap agreements to manage risk associated with changes in interest rates associated with its long-term debt. Under the terms of the interest rate swaps, the Medical Center pays fixed rates monthly and receives from the counterparties variable payments based on percentages of LIBOR. Interest payments and the change in fair value of the swaps (loss of approximately \$0.7 million in 2012 and \$1.1 million in 2011) are recorded in the excess (deficiency) of revenue over expenses.

Maimonides Medical Center

Notes to Financial Statements (continued)

**5. Long-Term Debt, Capital Lease Obligations, Other Borrowings and Related Matters (continued)**

At December 31, 2012 and 2011, the swaps are reported in other noncurrent liabilities and are summarized as follows

<b>Notional Amount</b>	<b>Maturity Date</b>	<b>Fixed Payment Rate</b>	<b>2012 Fair Value (All Liabilities)</b>
\$ 26,435,942	June 1, 2027	3.95%	\$ 5,339,052
18,701,986	June 1, 2019	1.186	316,978
7,930,783	June 1, 2019	1.28	112,581
990,476	January 31, 2014	6.19	27,305
666,667	August 15, 2015	5.985	39,538
			<b>\$ 5,835,454</b>

<b>Notional Amount</b>	<b>Maturity Date</b>	<b>Fixed Payment Rate</b>	<b>2011 Fair Value (All Liabilities)</b>
\$ 26,345,000	January 1, 2026	4.14%	\$ 4,974,997
1,904,762	January 31, 2014	6.19	92,080
916,667	August 15, 2015	5.985	66,221
			<b>\$ 5,133,298</b>

**6. Pension Plans and Postretirement Health Care Benefits**

The Medical Center provides retirement and similar benefits to its union employees through several defined benefit multiemployer pension plans and to its nonunion employees through a noncontributory defined benefit pension plan, tax deferred annuity plans, and a nonqualified defined contribution plan covering certain employees. Payments to the defined benefit multiemployer union plans are made in accordance with contractual arrangements under which contributions are generally based on gross salaries and are funded on a current basis. The Medical Center contributes amounts to the nonunion plan sufficient to meet the minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974. The Medical Center's pension expense under all existing plans aggregated approximately \$39.9 million and \$38.0 million for the years ended December 31, 2012 and 2011, respectively.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### 6. Pension Plans and Postretirement Health Care Benefits (continued)

In relation to the two multiemployer defined benefit pension plans that cover the Medical Center’s union-represented employees, the risks of participating in these multiemployer plans are different from single-employer plans in the following respects

- a Assets contributed to a multiemployer plan by one employer may be used to provide benefits to employees of other participating employers
- b If a participating employer stops contributing to a plan, the unfunded obligations of the plan may be borne by the remaining participating employers
- c If the Medical Center chooses to stop participating in some of its multiemployer plans, the Medical Center may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability

The Medical Center’s participation in these plans for the years ended December 31, 2012 and 2011 is outlined in the table below. The “EIN Number” column provides the Employer Identification Number (“EIN”). Unless otherwise noted, the most recent Pension Protection Act (“PPA”) zone status available in 2012 and 2011 is for a plan’s year-end at December 31, 2011 and 2010, respectively. The zone status is based on information that the Medical Center received from the plans and is certified by the plans’ actuaries. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. The “FIP/RP Status Pending/Implemented” column indicates plans for which a financial improvement plan (“FIP”) or a rehabilitation plan (“RP”) is pending or has been implemented. The last column lists the expiration dates of the collective bargaining agreements to which the plans are subject.

The number of employees covered by the Medical Center’s multiemployer plans did not change significantly from 2011 to 2012. Contribution rates required to be paid to the plans have increased from 2011 to 2012.

Pension Fund	EIN Number	Plan Number	Pension Protection Act Zone Status		FIP/RP Pending/Implemented	Contributions by the Medical Center		Surcharge Imposed	Expiration Date of Collective Bargaining Agreement
			2012	2011		2012	2011		
The New York State Nurses Association Pension Plan	13-6604799	001	Green	Green	No	\$10,344,000	\$10,172,000	No	1/01/2014
1199 SEIU Health Care Employees Pension Fund	13-3604862	001	Green	Green	No	\$11,788,000	\$10,959,000	No	4/30/2015

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### 6. Pension Plans and Postretirement Health Care Benefits (continued)

The Medical Center was listed in The New York State Nurses Association Pension Plan Form 5500 as providing more than 5% of the total contributions of the plan for plan years ended December 31, 2011 and 2010

In addition to the plans described above, the Medical Center sponsors a defined benefit health care plan that provides postretirement medical, dental and life insurance benefits to certain full-time employees hired prior to July 1, 1984 and who have worked ten years and attained age 65 while in service with the Medical Center. The plan contains cost-sharing features such as deductibles and coinsurance.

The Medical Center uses a December 31 measurement date for its pension and postretirement benefits plans.

The Medical Center recognizes the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of the defined benefit plans in its statements of financial position. Net unrecognized actuarial losses and the net unrecognized prior service costs at the reporting date will be subsequently recognized in the future as net periodic benefit cost pursuant to the Medical Center's accounting policy for amortizing such amounts. Further, actuarial gains and losses that arise in subsequent periods and are not recognized as net periodic benefit cost in the same periods will be recognized as a component of unrestricted net assets.

Included in other changes in unrestricted net assets at December 31, 2012 and 2011 are the following amounts that have not yet been recognized in net periodic pension and postretirement cost:

	Pension Benefits		Postretirement Health Care Benefits	
	2012	2011	2012	2011
	<i>(In Thousands)</i>			
Unrecognized prior service (cost) credit	\$ (236)	\$ (278)	\$ 663	\$ 198
Unrecognized actuarial loss	(47,509)	(41,140)	(4,396)	(3,950)
	\$ (47,745)	\$ (41,418)	\$ (3,733)	\$ (3,752)

Maimonides Medical Center

Notes to Financial Statements (continued)

**6. Pension Plans and Postretirement Health Care Benefits (continued)**

The net prior service cost and actuarial loss included in unrestricted net assets and expected to be recognized in net periodic pension and postretirement cost during the year ending December 31, 2013 is approximately \$4.1 million

The following table sets forth the change in benefit obligations, change in plan assets and the funded status of the plans as of December 31, 2012 and 2011

	Pension Benefits		Postretirement Health Care Benefits	
	2012	2011	2012	2011
	<i>(In Thousands)</i>			
Change in benefit obligation				
Benefit obligation, beginning of year	\$ 120,766	\$ 98,873	\$ 12,335	\$ 12,279
Service cost	6,611	5,546	217	190
Interest cost	5,117	4,990	503	555
Plan amendments	–	–	(521)	(158)
Medicare Part D reimbursements	–	–	18	20
Actuarial losses	13,398	14,612	623	46
Net benefits paid and expected expenses	(4,118)	(3,255)	(523)	(597)
Benefit obligation, end of year	<u>141,774</u>	<u>120,766</u>	<u>12,652</u>	<u>12,335</u>
Change in plan assets				
Fair value of plan assets, beginning of year	73,356	64,339	–	–
Actual return on plan assets	9,227	6,021	–	–
Contributions	7,615	6,298	523	597
Benefits paid and actual expenses	(4,351)	(3,302)	(523)	(597)
Fair value of plan assets, end of year	<u>85,847</u>	<u>73,356</u>	<u>–</u>	<u>–</u>
Unfunded status	<u>\$ (55,927)</u>	<u>\$ (47,410)</u>	<u>\$ (12,652)</u>	<u>\$ (12,335)</u>

The following table provides the amounts recognized in the statements of financial position

	Pension Benefits		Postretirement Health Care Benefits	
	2012	2011	2012	2011
	<i>(In Thousands)</i>			
Accrued benefit liability – noncurrent	\$ (55,927)	\$ (47,410)	\$ (12,167)	\$ (11,760)
Accrued benefit liability – current	–	–	(485)	(575)
	<u>\$ (55,927)</u>	<u>\$ (47,410)</u>	<u>\$ (12,652)</u>	<u>\$ (12,335)</u>

Maimonides Medical Center

Notes to Financial Statements (continued)

**6. Pension Plans and Postretirement Health Care Benefits (continued)**

The projected benefit obligation, accumulated benefit obligation and fair value of pension plan assets are as follows

	<b>December 31</b>	
	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
Projected benefit obligation	<b>\$ 141,774</b>	\$ 120,766
Accumulated benefit obligation	<b>122,902</b>	105,205
Fair value of plan assets	<b>85,847</b>	73,356

Net periodic pension costs, included in employee benefits expense, consist of the following components

	<b>Pension Benefits</b>		<b>Postretirement Health Care Benefits</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>			
Service cost	<b>\$ 6,611</b>	\$ 5,546	<b>\$ 217</b>	\$ 190
Interest cost on projected benefit obligation	<b>5,117</b>	4,990	<b>503</b>	555
Expected return on plan assets	<b>(5,836)</b>	(5,049)	-	-
Net amortization and deferral	<b>3,913</b>	2,433	<b>121</b>	43
Net periodic pension cost	<b>\$ 9,805</b>	\$ 7,920	<b>\$ 841</b>	\$ 788

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### 6. Pension Plans and Postretirement Health Care Benefits (continued)

The following are assumptions used in the measurement of the Medical Center's benefit obligations and net periodic benefit cost

	<b>Pension Benefits</b>		<b>Postretirement Health Care Benefits</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Weighted-average assumptions used to determine benefit obligations as of December 31				
Discount rate	<b>3.75%</b>	4.25%	<b>3.75%</b>	4.25%
Rate of compensation increase	<b>4.0</b>	4.0	<b>4.0</b>	4.0
Weighted-average assumptions used to determine net periodic benefit cost for years ended December 31				
Discount rate	<b>4.25%</b>	5.25%	<b>4.25%</b>	5.25%
Expected return on plan assets	<b>8.0</b>	8.0	<b>N/A</b>	N/A
Rate of compensation increase	<b>4.0</b>	4.0	<b>4.0</b>	4.0

The overall long-term rate of return was developed by estimating the expected long-term real return for each asset class within the portfolio, computing an average weighted real rate of return for the portfolio as a whole, reflecting both the plan's expected asset class allocation and the correlations between the various asset classes and adding that expected real rate of return to the expected long-term rate of inflation component per year

Maimonides Medical Center

Notes to Financial Statements (continued)

**6. Pension Plans and Postretirement Health Care Benefits (continued)**

	<u>2012</u>	<u>2011</u>
Assumed health care cost trend rates at December 31		
Pre-65 Medical		
Initial rate for health care costs	7.3%	12.9%
Ultimate rate for health care costs	4.4%	4.3%
Ultimate year of health care increase	2083	2083
Post-65 Medical		
Initial rate for health care costs	7.3%	9.0%
Ultimate rate for health care costs	4.5%	4.3%
Ultimate year of health care increase	2083	2083
Dental		
Initial rate for health care costs	5.0%	94.0%
Ultimate rate for health care costs	4.3%	4.3%
Ultimate year of health care increase	2083	2083

Assumed health care cost trend rates may have a significant effect on the amounts reported for the health care plans. A 1% change in assumed health care cost trend rates would have the following effects at December 31, 2012:

	<u>1% Increase</u>	<u>1% Decrease</u>
	<i>(In Thousands)</i>	
Effect on total of service and interest cost components of net periodic postretirement health care benefit cost	\$ 91	\$ (76)
Effect on health care components of the accumulated postretirement benefit obligation	1,521	(1,279)

Maimonides Medical Center

Notes to Financial Statements (continued)

**6. Pension Plans and Postretirement Health Care Benefits (continued)**

**Plan Assets**

The Medical Center's pension plan weighted-average asset allocation at December 31, 2012 and 2011 by asset category is as follows

Asset category	<b>Plan Assets as of December 31</b>	
	<b>2012</b>	<b>2011</b>
Equities	<b>49%</b>	46%
Fixed income	<b>50</b>	52
Other	<b>1</b>	2
Total	<b>100%</b>	100%

Refer to Note 13 for fair value measurement information related to the defined benefit plan asset categories noted in the table above

**Investment Strategy**

The overall investment philosophy of the Medical Center is to maximize return while minimizing risk in a diversified portfolio. The rate of return of the total fund is compared to the return of a policy portfolio consisting of 50% of Barclays Capital Bond Index, 35% of Russell 3000 Index and 15% of the Morgan Stanley Capital International Europe, Australia and Far East Index. The target asset allocation permissible ranges by asset category are as follows:

<b>Asset Category</b>	<b>Permissible Range</b>
Equities – Domestic	30% – 40%
Equities – Non-U S	12% – 18%
Fixed income	45% – 55%

**Cash Flows**

*Contributions:* The Medical Center expects to contribute \$8.0 million to its defined benefit pension plan in 2013.

Maimonides Medical Center

Notes to Financial Statements (continued)

**6. Pension Plans and Postretirement Health Care Benefits (continued)**

*Expected Future Benefit Payments:* The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid

Year	<b>Pension Benefits</b>	<b>Postretirement Health Care Benefits</b>
	<i>(In Thousands)</i>	
2013	\$ 7,157	\$ 511
2014	6,816	584
2015	7,051	724
2016	7,476	761
2017	8,373	841
2018 to 2022	45,487	4,510

**Medicare Prescription Drug, Improvement and Modernization Act of 2003**

In December 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 became law. It introduced a prescription drug benefit under Medicare (“Medicare Part D”) as well as a federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to Medicare Part D. The Medical Center follows guidelines for companies that sponsor defined benefit postretirement health care plans that provide prescription drug benefits under Medicare Part D. Those guidelines address situations in which a company has determined that the benefit provided is at least actuarially equivalent to Medicare Part D benefits. The Medical Center determined that, as of January 1, 2004, the benefit provided to retirees is actuarially equivalent to Medicare Part D and should be accounted for as such. Accordingly, the effect to the accumulated postretirement benefit obligation was a reduction of approximately (in thousands)

2013	\$ 17
2014	17
2015	18
2016	17
2017	16
Thereafter	79

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### **7. Professional Liabilities**

Beginning in 1977, the Medical Center has participated in a pooled professional and general liability program with certain other health care facilities (principally hospitals) affiliated with the Federation of Jewish Philanthropies of New York (the "FOJP Program"). This participation has been with captive and commercial insurance companies utilizing occurrence basis type coverage. At December 31, 2012, the Medical Center retained ownership in three captive insurance companies affiliated with the FOJP Program. The captive insurance companies are primarily accounted for using the equity method.

In 2011, certain member hospitals of the captive insurance companies purchased the interest of another of its members under an agreement that requires payments to be made over the next three years. This resulted in a change of ownership percentage for each of the remaining members. As a result, the Hospital's equity in the captive insurance companies increased by approximately \$9.7 million and its liabilities increased by \$8.5 million. These amounts are included in equity in captive insurance program, other current assets, other current liabilities and long-term professional liabilities in the accompanying statement of financial position at December 31, 2011.

The aggregate net carrying value of the Medical Center's interests in the insurance program was approximately \$64.8 million and \$55.2 million at December 31, 2012 and 2011, respectively, of which approximately \$62.3 million and \$52.7 million is included in equity in captive insurance program and \$2.5 million for both 2012 and 2011 is included in other current assets in the accompanying statements of financial position.

The Medical Center changed its malpractice insurance program for the period from January 1, 1998 through December 31, 1998. Under the terms of the revised program, a portion of the Medical Center's coverage became self-retained. Effective January 1, 1999, this program was terminated prospectively and the Medical Center no longer maintains a self-retained component. At December 31, 2012 and 2011, the Medical Center's statements of financial position reflected professional liabilities of approximately \$3.3 million and \$4.9 million, respectively, for the actuarial present value of the self-retained component of malpractice insurance based on a study prepared by independent consulting actuaries discounted at 3% and 5%, respectively. In conjunction with this program, the Medical Center, together with several other hospitals, invested approximately \$6.7 million at December 31, 1998 (Medical Center's portion) in pooled investment unit trusts. At December 31, 2012 and 2011, the fair value of these units is approximately \$4.3 million and \$3.9 million, respectively.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### **7. Professional Liabilities (continued)**

Effective January 1, 1999, the Medical Center's malpractice insurance program reverted to a coverage agreement similar to the arrangement that existed prior to January 1, 1998. This program, however, provides for a deferral of premium payments through 2015 for years commencing in 2010. At December 31, 2012 and 2011, approximately \$36.7 million and \$35.4 million, respectively, represent the estimated present value of future payments. Amounts due in 2013 and 2012, respectively, are included in other current liabilities and the balance is included in long-term professional liabilities in the accompanying statements of financial position.

The Medical Center, as part owner of its malpractice captive, guarantees a certain level of investment return. As a result of market losses in 2011, the Medical Center was required to fund its share of market losses of \$10.4 million. At December 31, 2012, this liability was reduced to \$1.4 million as a net result of gains in the financial market, accrued interest, as well as the Medical Center's 2012 payment to fund the 2011 losses. The remaining liability excluding interest will be paid over a period of three years, subject to financial market performance. At December 31, 2012, approximately \$1.4 million of the 2011 liability and \$1.1 million of accrued interest remaining from prior years' market losses was included in long-term professional liabilities in the accompanying statement of financial position.

The Medical Center presents in its statement of financial position its gross professional liabilities and insurance recoveries receivable. The estimate of professional liabilities and the estimate for incidents that have been incurred but not reported is included in estimated insurance claims liabilities in the accompanying statements of financial position at the actuarially determined present value of approximately \$194.1 million and \$186.7 million based on a discount rate of 3.5% at December 31, 2012 and 2011, respectively. The Medical Center has recorded related estimated insurance claims receivable of approximately \$194.1 million and \$186.7 million at December 31, 2012 and 2011, respectively, in consideration of the expected insurance recoveries. The current portion of estimated insurance claims liabilities and the related estimated insurance claims receivable represents an estimate of expected settlements and insurance recoveries over the next 12 months.

At December 31, 2012 and 2011, the Medical Center had an unsecured letter of credit for the benefit of one of its captive insurance companies from a bank in the amount of \$1.0 million. During the years ended December 31, 2012 and 2011, no drawdowns were made under this letter of credit agreement.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### 8. Transactions with Affiliates

Services provided by MMC Holding of Brooklyn, Inc through its various subsidiaries to the Medical Center include pharmaceuticals, medical supplies and equipment, technical support services, contracted services and management reviews for various Medical Center properties. Expenses incurred by the Medical Center for such services approximated \$19.6 million and \$19.9 million during 2012 and 2011, respectively. Additionally, MMC Holding of Brooklyn, Inc purchases various goods and services from the Medical Center. Revenue generated from such activity approximated \$751,000 and \$516,000 during 2012 and 2011, respectively.

The net amounts due from affiliates in the accompanying statements of financial position include a revolving loan receivable and accrued interest thereon from MMC Holding of Brooklyn, Inc of approximately \$2.8 million and \$2.6 million at December 31, 2012 and 2011, respectively. The loan bears interest at 5.75% at December 31, 2012 and 2011 and has no specified repayment date. Also included in the balances each year are amounts due from and to MMC Holding of Brooklyn, Inc and its subsidiaries for services provided by and to the Medical Center, as previously described.

#### 9. Temporarily and Permanently Restricted Net Assets

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

	<u>2012</u>	<u>2011</u>
	<i>(In Thousands)</i>	
Research and education	\$ 1,098	\$ 1,115
Plant replacement and expansion	12,806	13,323
	<u>\$ 13,904</u>	<u>\$ 14,438</u>

Permanently restricted net assets at December 31, 2012 and 2011 consist of investments to be held in perpetuity, the income from which is to be used for health care related services.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### 10. Other Revenue

Other revenue consisted of the following for the years ended December 31

	<b>2012</b>	<b>2011</b>
	<i>(In Thousands)</i>	
Government grant income	\$ 13,396	\$ 6,762
Electronic health records incentive payments	6,066	–
Real estate rentals	4,952	4,703
Investment income	9,933	9,835
Special funds income	11,538	9,921
Dining room and parking lot income	1,429	1,458
Grants and contributions	1,962	2,211
Settlements	–	4,275
Insurance company surplus distribution	6,527	4,649
Other	3,898	4,840
	<b>\$ 59,701</b>	<b>\$ 48,654</b>

In May 2011, the Medical Center reached an agreement with a bank related to the valuation of an investment and received a settlement in the amount of \$2.0 million. The Medical Center also settled a legal matter with a utility company during 2011 in the amount of \$2.3 million related to incorrect charges.

The Medical Center was awarded grants under the HEAL NY program. Grant revenue recorded is \$8.4 million and \$4.3 million for the years ended December 31, 2012 and 2011, respectively, and is related to expenditures incurred. The proceeds from these grants were used for the establishment of a health information network as well as care management to provide patient centered services for the mental health patients through a consortium of various healthcare providers.

The American Recovery and Reinvestment Act of 2009 included provisions for implementing health information technology under the Health Information Technology for Economic and Clinical Health Act (“HITECH”). The provisions were designed to increase the use of electronic health record (“EHR”) technology and establish the requirements for a Medicare and Medicaid incentive payment program beginning in 2011 for eligible providers that adopt and meaningfully use certified EHR technology. Eligibility for annual Medicare incentive payments is dependent on providers demonstrating meaningful use of EHR technology in each period over a four-year

# Maimonides Medical Center

## Notes to Financial Statements (continued)

### 10. Other Revenue (continued)

period Initial Medicaid incentive payments are available to providers that adopt, implement or upgrade certified EHR technology In subsequent years providers must demonstrate meaningful use of such technology to qualify for additional Medicaid incentive payments Hospitals that do not successfully demonstrate meaningful use of EHR technology are subject to payment penalties or downward adjustments to their Medicare payments beginning in federal fiscal year 2015

The Medical Center uses a grant accounting model to recognize revenue for the Medicare and Medicaid EHR incentive payments Under this accounting policy, EHR incentive payment revenue is recognized when the Medical Center is reasonably assured that the EHR meaningful use criteria for the required period of time were met and that the grant revenue will be received EHR incentive payment revenue totaling \$6.1 million (Medicare—\$3.4 million, Medicaid—\$2.7 million) for the year ended December 31, 2012 is included in other revenue These incentive payments were received by the Medical Center during 2012 Income from incentive payments is subject to retrospective adjustment upon final settlement of the applicable cost report from which payments were calculated Additionally, the Medical Center's attestation of compliance with the meaningful use criteria is subject to audit by the federal government

### 11. Functional Expenses

Functional expenses for the years ended December 31 are as follows

	<u>2012</u>	<u>2011</u>
	<i>(In Thousands)</i>	
Health care and related services	\$ 794,127	\$ 775,291
Program support and general	217,455	196,272
	<u>\$ 1,011,582</u>	<u>\$ 971,563</u>

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### 12. Concentration of Credit Risk

The Medical Center grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. Net accounts receivable by payor were as follows:

	December 31	
	2012	2011
Medicare and Medicaid	45%	42%
Commercial and managed care	50	53
Self pay	5	5
	<u>100%</u>	<u>100%</u>

At December 31, 2012 and 2011, substantially all of the Medical Center's cash and cash equivalents were held in custodial accounts at four financial institutions. Management believes that credit risk related to these deposits is minimal.

The Medical Center routinely invests its operating cash in money market funds. These funds generally invest in highly liquid U.S. government and agency obligations. Investments in money market funds are not insured or guaranteed by the U.S. government.

#### 13. Fair Value Measurements

For assets and liabilities required to be measured at fair value, the Medical Center measures fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are applied based on the unit of account from the Medical Center's perspective. The unit of account determines what is being measured by reference to the level at which the asset or liability is aggregated (or disaggregated) for purposes of applying other accounting pronouncements.

The Medical Center follows a valuation hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

*Level 1:* Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

*Level 2:* Observable inputs that are based on inputs not quoted in active markets, but corroborated by market data.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### 13. Fair Value Measurements (continued)

*Level 3:* Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. In determining fair value, the Medical Center utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value. Financial assets and liabilities, including the defined benefit plan assets, carried at fair value as of December 31, 2012 are classified in the table below in one of the three categories described above.

	Level 1	Level 2	Level 3	Total
	<i>(In Thousands)</i>			
<b>Assets</b>				
Cash and cash equivalents	\$ 66,051	\$ –	\$ –	\$ 66,051
U S government notes and bonds	89,948	–	–	89,948
Corporate bonds	–	27,179	–	27,179
Certificate of deposit	2,630	–	–	2,630
Mutual funds	–	4,296	–	4,296
Total assets at fair value	\$ 158,629	\$ 31,475	\$ –	\$ 190,104
<b>Defined benefit plan assets</b>				
Cash and cash equivalents	\$ 630	\$ –	\$ –	\$ 630
Mutual funds – equity	42,518	–	–	42,518
Mutual funds – fixed income	42,699	–	–	42,699
Total defined benefit plan assets at fair value	\$ 85,847	\$ –	\$ –	\$ 85,847
<b>Liabilities</b>				
Interest rate swap agreements	\$ –	\$ 5,835	\$ –	\$ 5,835

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### 13. Fair Value Measurements (continued)

Financial assets and liabilities carried at fair value as of December 31, 2011 are classified in the table below in one of the three categories described above

	Level 1	Level 2	Level 3	Total
	<i>(In Thousands)</i>			
<b>Assets</b>				
Cash and cash equivalents	\$ 55,725	\$ –	\$ –	\$ 55,725
U S government notes and bonds	86,859	–	–	86,859
Corporate bonds	–	25,647	–	25,647
Certificate of deposit	2,630	–	–	2,630
Mutual funds	–	3,917	–	3,917
Total assets at fair value	\$ 145,214	\$ 29,564	\$ –	\$ 174,778
<b>Defined benefit plan assets</b>				
Cash and cash equivalents	\$ 1,517	\$ –	\$ –	\$ 1,517
Mutual funds – equity	33,376	–	–	33,376
Mutual funds – fixed income	38,463	–	–	38,463
Total defined benefit plan assets at fair value	\$ 73,356	\$ –	\$ –	\$ 73,356
<b>Liabilities</b>				
Interest rate swap agreements	\$ –	\$ 5,133	\$ –	\$ 5,133

The following is a description of the Medical Center's valuation methodologies for assets measured at fair value. Fair value for Level 1 is based upon quoted market prices. Fair value for Level 2 is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources including market participants, dealers and brokers. The methods described above may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Medical Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### 13. Fair Value Measurements (continued)

The Medical Center's long-term debt obligations are reported at carrying value. The fair value of the Medical Center's long-term debt obligations is approximately \$212.4 million and \$185.5 million at December 31, 2012 and 2011, respectively, based on quoted market prices and other valuation considerations. These fair values are categorized as Level 2 in the fair value hierarchy described above.

#### 14. Operating Lease Obligations

The Medical Center has entered into various agreements under non-cancellable operating leases. Rent payments are recognized as expense on a straight-line basis over the term of the related lease. At December 31, 2012 and 2011, the Medical Center had an asset of approximately \$4.0 million and \$3.3 million, respectively, representing rental payments made in excess of rent expense on a straight-line basis.

Future minimum payments under non-cancellable operating leases with initial or recurring terms of one year or more are as follows (in thousands):

2013	\$ 12,690
2014	12,676
2015	11,660
2016	10,806
2017	8,846
Thereafter	57,075
Total minimum operating lease payments	<u>\$ 113,753</u>

Total rental expense charged to operations for the years ended December 31, 2012 and 2011 aggregated approximately \$13.4 million and \$12.8 million, respectively.

#### 15. Commitments and Contingencies

Various investigations, lawsuits and claims arising out of the normal course of operations are pending or on appeal against the Medical Center. While the ultimate effect of such actions cannot be determined at this time, it is the opinion of management that the liabilities which may arise from such actions would not materially affect the Medical Center's financial position or results of operations.

## Maimonides Medical Center

### Notes to Financial Statements (continued)

#### **15. Commitments and Contingencies (continued)**

Approximately 70% of the Medical Center's employees are members of various unions. The Local 1199 union contract expires on April 30, 2015. The New York State Nurses Association contract expires on January 1, 2014 and the Committee on Interns and Residents contract expires on October 31, 2013.

#### **16. Subsequent Events**

Subsequent events have been evaluated through May 1, 2013, which is the date the financial statements were issued. Except as disclosed below and in Note 5, subsequent events have not occurred that require disclosure in or adjustment to the financial statements.

On February 26, 2013, the Medical Center announced in a press release that it has entered into an initial three year strategic alliance agreement with Montefiore Medical Center ("Montefiore") located in the Bronx, New York, to leverage the strengths of both institutions and to allow both institutions to better prepare for new models of health care delivery in the future. The Medical Center and Montefiore will each remain independent under this affiliation. The Medical Center also announced an affiliation agreement with Yeshiva University through its Albert Einstein College of Medicine ("Einstein"). Under the affiliation agreement, the Medical Center will become a university hospital and the Brooklyn clinical campus of Einstein. Both Einstein and the Medical Center will continue to be autonomous and governed independently by their respective governing bodies and administrations.