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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 10-01-2012 , 2012, and ending 09-30-2013

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

C Name of organization
MAINE MEDICAL CENTER

Doing Business As

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

City or town, state or country, and ZIP + 4
PORTLAND, ME 04102

D Employer identification number
01-0238552

E Telephone number
(207) 662-2576

G Gross receipts $ 1,934,425,044

F Name and address of principal officer
RICHARD W PETERSEN
22 BRAMHALL STREET
PORTLAND, ME 04102

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW MMC ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1951 | **M** State of legal domicile ME

Part I Summary

1 Briefly describe the organization's mission or most significant activities
THE MAINE MEDICAL CENTER (THE MEDICAL CENTER) IS A VOLUNTARY, NOT-FOR-PROFIT COMMUNITY AND REFERRAL HOSPITAL, DEDICATED TO PROVIDING HIGH QUALITY HEALTH CARE SERVICES TO ALL PERSONS WHO SEEK CARE REGARDLESS OF THEIR SEX, RACE, RELIGION, AGE, COLOR, SEXUAL ORIENTATION, NATIONAL ORIGIN, PHYSICAL OR EMOTIONAL DISABILITY OR SOCIAL OR ECONOMIC STATUS MAINE MEDICAL CENTER IS ALSO COMMITTED TO EDUCATION AT THE UNDERGRADUATE, GRADUATE, POST-GRADUATE AND CONTINUING EDUCATION LEVELS FOR PHYSICIANS, NURSES AND ALLIED HEALTH PERSONNEL, AND IN-SERVICE TRAINING FOR SUPPORT STAFF ALL OF WHICH ARE ESSENTIAL TO THE DELIVERY OF QUALITY PATIENT CARE OUTREACH EDUCATION TO OTHER INSTITUTIONS AND AGENCIES IS ALSO VITAL TO THE FULFILLMENT OF THE MAINE MEDICAL CENTER'S MISSION THE MEDICAL CENTER ALSO SUPPORTS BASIC AND CLINICAL RESEARCH AS ESSENTIAL TO THE ADVANCEMENT OF HEALTH CARE

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	21
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	17
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	**5**	7,452
6	Total number of volunteers (estimate if necessary)	**6**	709
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	1,454,164
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	

Revenue

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	29,095,717	25,340,716
9	Program service revenue (Part VIII, line 2g)	818,119,733	819,732,865
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	16,462,038	21,899,856
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	82,497,237	124,973,786
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	946,174,725	991,947,223

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,570,050	1,559,800
14	Benefits paid to or for members (Part IX, column (A), line 4)		0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	456,757,401	505,920,920
16a	Professional fundraising fees (Part IX, column (A), line 11e)	66,515	76,492
b	Total fundraising expenses (Part IX, column (D), line 25) ▶1,744,764		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	409,397,617	405,468,066
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	867,791,583	913,025,278
19	Revenue less expenses Subtract line 18 from line 12	78,383,142	78,921,945

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	1,121,281,037	1,156,161,439
21	Total liabilities (Part X, line 26)	530,631,360	446,077,645
22	Net assets or fund balances Subtract line 21 from line 20	590,649,677	710,083,794

Part II Signature Block

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

Sign Here

Signature of officer — Date: 2014-08-01

LUGENE INZANA SR VP, FINANCE & CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
		2014-08-12		

Firm's name ▶ MAINEHEALTH — Firm's EIN ▶

Firm's address ▶ 110 FREE ST
PORTLAND, ME 041013908 — Phone no

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

THE MAINE MEDICAL CENTER (THE MEDICAL CENTER) IS A VOLUNTARY, NOT-FOR-PROFIT COMMUNITY AND REFERRAL HOSPITAL, DEDICATED TO PROVIDING HIGH QUALITY HEALTH CARE SERVICES TO ALL PERSONS WHO SEEK CARE REGARDLESS OF THEIR SEX, RACE, RELIGION, AGE, COLOR, SEXUAL ORIENTATION, NATIONAL ORIGIN, PHYSICAL OR EMOTIONAL DISABILITY OR SOCIAL OR ECONOMIC STATUS MAINE MEDICAL CENTER IS ALSO COMMITTED TO EDUCATION AT THE UNDERGRADUATE, GRADUATE, POST-GRADUATE AND CONTINUING EDUCATION LEVELS FOR PHYSICIANS, NURSES AND ALLIED HEALTH PERSONNEL, AND IN-SERVICE TRAINING FOR SUPPORT STAFF ALL OF WHICH ARE ESSENTIAL TO THE DELIVERY OF QUALITY PATIENT CARE OUTREACH EDUCATION TO OTHER INSTITUTIONS AND AGENCIES IS ALSO VITAL TO THE FULFILLMENT OF THE MAINE MEDICAL CENTER'S MISSION THE MEDICAL CENTER ALSO SUPPORTS BASIC AND CLINICAL RESEARCH AS ESSENTIAL TO THE ADVANCEMENT OF HEALTH CARE

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 $ 188,314,638 including grants of $) (Revenue $ 279,340,215)

ROUTINE SERVICES - ADULTS, PEDIATRICS, INTENSIVE CARE, NEONATAL INTENSIVE CARE, CORONARY CARE, NURSERY TOTAL PATIENT DAYS - 150,860 SEE ATTACHED COMMUNITY BENEFIT STATEMENT

4b (Code) (Expenses $ 148,813,812 including grants of $) (Revenue $ 425,564,462)

OPERATING ROOM AND SCARBOROUGH SURGERY CENTER TOTAL VISITS - 28,730 THROUGH ITS 34 OPERATIVE SUITES, MAINE MEDICAL CENTER (THE MEDICAL CENTER) PROVIDES CRITICAL TRAUMA, EMERGENT, URGENT, AND ELECTIVE SURGICAL SERVICES TO THE COMMUNITY THROUGH ITS EXPANSIVE ARRAY OF SURGICAL CAPABILITIES, THE MEDICAL CENTER PROVIDES MOST SURGICAL PROCEDURES WITHIN ITS COMMUNITY AS A GREAT CONVENIENCE TO ITS PATIENTS WITHOUT REGARD TO THEIR ABILITY TO PAY

4c (Code) (Expenses $ 37,453,351 including grants of $) (Revenue $ 69,401,781)

EMERGENCY DEPARTMENT AND BRIGHTON FIRST CARE (BFC) TOTAL VISITS - 87,611 THE EMERGENCY DEPARTMENT AND ESPECIALLY BFC SERVE AS THE PRIMARY CARE PHYSICIAN FOR A NUMBER OF LOW INCOME AND INDIGENT RESIDENTS OF GREATER PORTLAND GIVEN THE MEDICAL CENTER'S COMMITMENT TO ACCESS TO CARE REGARDLESS OF ABILITY TO PAY, THESE EMERGENCY TREATMENT CENTERS SERVE A VITAL ROLE IN THE COMMUNITY'S HEALTH CARE NETWORK

(Code) (Expenses $ 376,879,081 including grants of $ 1,559,800) (Revenue $ 168,973,189)

LABORATORY, EDUCATION, RESEARCH, RADIOLOGY, DELIVERY AND LABOR ROOM, ANESTHESIOLOGY, AND OTHER ANCILLARY SERVICES

4d Other program services (Describe in Schedule O)

(Expenses $ 376,879,081 including grants of $ 1,559,800) (Revenue $ 168,973,189)

4e **Total program service expenses** ▶ 751,460,882

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8	Yes	
9	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? *If "Yes," complete Schedule D, Part IV*	9	Yes	
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17	Yes	
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	888		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	7,452		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	21		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	17		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**		Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	**8a**		Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**			No

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

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

Section C. Disclosure

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

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

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

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 ▶ DIRECTOR OF ACCOUNTING 22 BRAMHALL STREET PORTLAND, ME (207) 396-6700

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

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

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

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

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

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

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

(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			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (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			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								9,761,094	1,542,843	828,250

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶615

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
LANGFORD & LOW INC PO BOX 662 PORTLAND ME 04104	CONSTRUCTION	8,022,210
HURON CONSULTING GROUP LLC 3005 MOMENTUM PLACE CHICAGO IL 606895330	CONSULTING	5,808,983
SPECTRUM MEDICAL GROUP PA 324 GANNETT DRIVE SUITE 200 SOUTH PORTLAND ME 04106	MEDICAL SERVICE	2,664,120
SUFFOLK CONSTRUCTION 99 CONIFER HILL DRIVE DANVERS MA 01923	CONSTRUCTION	2,600,863
CHEST MEDICINE ASSOCIATES 100 FODEN ROAD WEST BLDG STE 103 SOUTH PORTLAND ME 041062351	MEDICAL SERVICE	2,426,969

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶127

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
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a 386,114				
	b	Membership dues	1b				
	c	Fundraising events	1c 696,396				
	d	Related organizations	1d 110,785				
	e	Government grants (contributions)	1e 18,147,311				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 6,000,110				
	g	Noncash contributions included in lines 1a-1f $	53,441				
	h	**Total.** Add lines 1a-1f		25,340,716			
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REVENUE	623000	819,732,865	819,732,865		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		819,732,865			
	3	Investment income (including dividends, interest, and other similar amounts)		9,252,255			9,252,255
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real / (ii) Personal				
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	954,959,052 / 71,235				
	b	Less cost or other basis and sales expenses	942,300,979 / 81,707				
	c	Gain or (loss)	12,658,073 / -10,472				
	d	Net gain or (loss)		12,647,601			12,647,601
Other Revenue	8a	Gross income from fundraising events (not including $ 696,396 of contributions reported on line 1c) See Part IV, line 18	a 67,975				
	b	Less direct expenses	b 95,135				
	c	Net income or (loss) from fundraising events		-27,160			-27,160
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory					
		Miscellaneous Revenue	Business Code				
	11a	OTHER REVENUE	722210	117,780,585	117,780,585		
	b	RECOGNIZED GAIN ON CASH FLOW	900099	5,056,850	5,056,850		
	c	ADMIN SERVICES REVENUE	561000	1,454,164		1,454,164	
	d	All other revenue		709,347	709,347		
	e	**Total.** Add lines 11a–11d		125,000,946			
	12	**Total revenue.** See Instructions		991,947,223	943,279,647	1,454,164	21,872,696

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 . . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2 Grants and other assistance to individuals in the United States See Part IV, line 22	1,559,800	1,559,800		
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	4,862,244		4,862,244	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	368,639,595	300,159,741	67,387,318	1,092,536
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	47,786,697	39,051,289	8,735,408	
9 Other employee benefits	58,957,047	48,179,699	10,777,348	
10 Payroll taxes	25,675,337	20,910,200	4,693,452	71,685
11 Fees for services (non-employees)				
a Management				
b Legal	2,186,914		2,186,914	
c Accounting	1,520,416		1,520,416	
d Lobbying				
e Professional fundraising services See Part IV, line 17	76,492			76,492
f Investment management fees	1,194,914		1,194,914	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	47,817,957	30,283,899	17,511,559	22,499
12 Advertising and promotion	1,877,911	1,534,629	343,282	
13 Office expenses	129,585,935	127,972,679	1,514,339	98,917
14 Information technology	23,083,691	18,863,992	4,219,699	
15 Royalties . .				
16 Occupancy	23,192,449	18,824,727	4,239,580	128,142
17 Travel	1,584,275	920,629	634,272	29,374
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	1,479,590	1,411,493	65,496	2,601
20 Interest	3,367,015	2,751,525	615,490	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	57,057,440	46,627,340	10,430,100	
23 Insurance	6,426,626	5,251,839	1,174,787	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a OUTSIDE MEDICAL SERVICES	26,052,727	26,052,727		
b HOSPITAL TAX	17,218,078	17,218,078		
c MAINTENANCE	14,537,916	11,819,346	2,657,531	61,039
d COLLECTION FEES	9,348,070		9,348,070	
e All other expenses	37,936,142	32,067,250	5,707,413	161,479
25 **Total functional expenses.** Add lines 1 through 24e	913,025,278	751,460,882	159,819,632	1,744,764
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing			1	
	2	Savings and temporary cash investments		29,199,767	2	47,210,966
	3	Pledges and grants receivable, net		5,644,775	3	5,673,859
	4	Accounts receivable, net		74,422,711	4	77,134,240
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	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			6	
	7	Notes and loans receivable, net		189,614	7	29,013
	8	Inventories for sale or use		6,695,687	8	7,748,253
	9	Prepaid expenses and deferred charges		2,668,891	9	1,671,209
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 937,184,555			
	b	Less accumulated depreciation	10b 504,076,998	433,032,546	10c	433,107,557
	11	Investments—publicly traded securities		415,118,622	11	436,470,516
	12	Investments—other securities See Part IV, line 11		38,207,433	12	44,115,955
	13	Investments—program-related See Part IV, line 11		10,563,622	13	11,824,084
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		105,537,369	15	91,175,787
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,121,281,037	16	1,156,161,439
Liabilities	17	Accounts payable and accrued expenses		74,294,075	17	75,294,050
	18	Grants payable			18	
	19	Deferred revenue		1,078,069	19	3,387,399
	20	Tax-exempt bond liabilities		109,955,508	20	101,737,957
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	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			22	
	23	Secured mortgages and notes payable to unrelated third parties		1,873,690	23	981,309
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		343,430,018	25	264,676,930
	26	**Total liabilities.** Add lines 17 through 25		530,631,360	26	446,077,645
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		487,537,746	27	600,706,746
	28	Temporarily restricted net assets		78,093,180	28	82,892,228
	29	Permanently restricted net assets		25,018,751	29	26,484,820
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		590,649,677	33	710,083,794
	34	Total liabilities and net assets/fund balances		1,121,281,037	34	1,156,161,439

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	991,947,223
2	Total expenses (must equal Part IX, column (A), line 25)	2	913,025,278
3	Revenue less expenses Subtract line 2 from line 1	3	78,921,945
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	590,649,677
5	Net unrealized gains (losses) on investments	5	-3,219,437
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	43,731,609
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	710,083,794

Part XII Financial Statements and Reporting

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

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

Additional Data

Software ID:
Software Version:
EIN: 01-0238552
Name: MAINE 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			
WILLIAM L CARON JR TRUSTEE	2 00 50 00	X						0	1,193,562	75,811
RICHARD W PETERSEN PRESIDENT	50 00	X		X				1,190,915	0	63,106
REED QUINN MD TRUSTEE	50 00	X						657,547	0	67,274
SAMUEL BROADDUS MD TRUSTEE	50 00	X						389,117	0	51,298
JACK MCGARRY TRUSTEE	2 00	X						0	0	0
CHRISTOPHER W EMMONS CHAIRMAN	2 00	X		X				0	0	0
CHRISTOPHER CLAUDIO TRUSTEE	2 00	X						0	0	0
MORRIS FISHER TRUSTEE	2 00	X						0	0	0
JERE G MICHELSON TRUSTEE	2 00	X						0	0	0
WILLIAM A BURKE TRUSTEE	2 00	X						0	0	0
WARD I GRAFFAM TRUSTEE	2 00	X						0	0	0
FRANK H FRYE VICE CHAIR	2 00	X		X				0	0	0
COSTAS T LAMBREW MD TRUSTEE	2 00	X						0	0	0
SUSANNAH SWIHART TRUSTEE	2 00	X						0	0	0
JAMES H ZEITLIN TRUSTEE	2 00	X						0	0	0
PATRICIA B STOGSDILL MD TRUSTEE	2 00	X						0	0	0
HEIDI HANSEN TRUSTEE	2 00	X						0	0	0
KATHERINE POPE MD TRUSTEE	2 00	X						0	0	0
BETH NEWLANDS CAMPBELL TRUSTEE	2 00	X						0	0	0
DAVID E WENNBERG MD TRUSTEE	2 00	X						0	0	0
MARGARET BUSH TRUSTEE	2 00	X						0	0	0
BETH SHORR TRUSTEE	2 00	X						0	0	0
PETER BATES MD CMO	50 00			X				557,918	0	67,641
MARJORIE WIGGINS CNO	50 00			X				468,362	0	60,017
JOHN E HEYE REG AGENT	50 00			X				453,828	0	74,028

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			
JEFFREY SANDERS COO	50 00			X				433,549	0	41,200
DONALD E QUIGLEY ASST SECRTY	2 00 50 00			X				0	349,281	86,017
KURT E KLEBE SECRETARY	2 00			X				0	0	0
JOSEPH ALEXANDER MD SURGEON	50 00					X		1,207,081	0	50,216
JAMES WILSON MD SURGEON	50 00					X		1,144,237	0	50,252
JEFFREY FLORMAN MD SURGEON	50 00					X		1,116,235	0	45,679
KONRAD BARTH MD SURGEON	50 00					X		1,111,851	0	50,845
RAJIV DESAI MD SURGEON	50 00					X		1,030,454	0	44,866

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MAINE MEDICAL CENTER

Employer identification number
01-0238552

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?

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

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1 - 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(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	
Total									

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

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

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

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2011 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2012.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2011.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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).

Facts And Circumstances Test

Explanation

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **See separate instructions.**

OMB No 1545-0047

2012

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	**Employer identification number**
MAINE MEDICAL CENTER	01-0238552

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

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ **Yes** ☐ **No**

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

	For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		78,402
j	Total Add lines 1c through 1i			78,402
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (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
	SCHEDULE C, PART II-B, LINE 1	PORTION OF DUES PAID THAT RELATE TO LOBBYING EXPENSES MAINE HOSPITAL ASSOCIATION - 56,744 AMERICAN HOSPITAL ASSOCIATION - 18,655 NATIONAL ASSOCIATION OF CHILDREN'S HOSPITALS - 2,478 MAINE STATE CHAMBER OF COMMERCE - 525

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MAINE MEDICAL CENTER

Employer identification number
01-0238552

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

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

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

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

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

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

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

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

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

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

		Amount
c Beginning balance	1c	42,701,543
d Additions during the year	1d	4,461,641
e Distributions during the year	1e	62,385
f Ending balance	1f	47,100,799

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.

	(a) Current year	(b) Prior year	(b) (c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	95,782,213	89,682,688	91,020,571	82,336,677	82,100,837
b Contributions	1,466,069	1,459,049	540,226	1,430,663	554,091
c Net investment earnings, gains, and losses	10,519,165	10,664,178	-1,878,109	7,253,231	-318,252
d Grants or scholarships					
e Other expenditures for facilities and programs	-6,200,000	-6,023,702			
f Administrative expenses					
g End of year balance	101,567,447	95,782,213	89,682,688	91,020,571	82,336,677

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶ 26 000 %
- c Temporarily restricted endowment ▶ 74 000 %

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

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		21,060,230		21,060,230
b Buildings		419,975,223	201,972,100	218,003,123
c Leasehold improvements		3,154,201	1,407,839	1,746,362
d Equipment		457,193,158	300,697,059	156,496,099
e Other		35,801,743		35,801,743
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				433,107,557

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

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

(a) Description	(b) Book value
(1) PREPAID CAPITAL COSTS	41,107,916
(2) AR UNDER REIMBURSEMENT REGULATIONS	24,452,000
(3) DUE FROM RELATED PARTIES	13,150,628
(4) OTHER ASSETS	11,375,874
(5) DEFERRED FINANCING COSTS	601,713
(6) CHARITABLE REMAINDER TRUST	487,656
(7) CASH SURR VALUE OF LIFE INSURANCE	
(8) INSURANCE RECEIVABLE	
(9) INSURANCE RECEIVABLE - CURRENT	
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	91,175,787

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
See Additional Data Table	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	264,676,930

2. Fin 48 (ASC 740) Footnote In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☑

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

1	Total revenue, gains, and other support per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	

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

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

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
TERMS FOR NOT REPORTING ASSETS PER SFAS 116	SCHEDULE D, PAGE 1, PART III, LINE 1A	THE ORGANIZATION HAS ARTWORK THAT WAS RECEIVED DIRECTLY FROM THE ARTISTS THIS ARTWORK IS NOT RECORDED IN THE ORGANIZATION'S FINANCIAL STATEMENTS THE ARTWORK IS ON DISPLAY AT THE HOSPITAL
COLLECTIONS AND RELATION TO EXEMPT PURPOSE	SCHEDULE D, PAGE 2, PART III, LINE 4	MMC'S ARTWORK CREATES A HEALING AND COMFORTABLE ENVIRONMENT FOR OUR PATIENTS AND THEIR FAMILIES AND VISITORS
EXPLANATION FOR UNREPORTED CONTRIBUTIONS OR ASSETS	SCHEDULE D, PAGE 2, PART IV, LINE 1B	THE INVESTMENT POOL AT MMC INCLUDES INVESTMENTS FROM SEVERAL RELATED ENTITIES THESE INVESTMENTS ARE NOT INCLUDED IN MMC'S FINANCIAL STATEMENTS
INTENDED USES FOR ENDOWMENT FUNDS	SCHEDULE D, PAGE 2, PART V, LINE 4	THE ENDOWED FUNDS SUPPORT THE FOLLOWING TYPES OF ACTIVITIES TUFTS SCHOLARSHIP PROGRAM, TRAINING AND EDUCATION OF NURSES, MMC RESEARCH AND EDUCATION PROGRAMS, SUPPORTING THE SALARY OF ENDOWED CHAIR OF PEDIATRICS AND FREE BED FUNDING
LIABILITY UNDER FIN 48 FOOTNOTE	SCHEDULE D, PAGE 3, PART X	THE INTERNAL REVENUE SERVICE (IRS) HAS PREVIOUSLY DETERMINED THAT MMC AND ITS SUBSIDIARIES (EXCEPT MMP) ARE ORGANIZATIONS AS DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE (IRC) AND ARE EXEMPT FROM FEDERAL INCOME TAXES ON RELATED INCOME PURSUANT TO SECTION 501(A) OF THE IRC

Additional Data

Software ID:
Software Version:
EIN: 01-0238552
Name: MAINE MEDICAL CENTER

Form 990, Schedule D, Part IX, - Other Assets

(a) Description	**(b)** Book value
(1) PREPAID CAPITAL COSTS	41,107,916
(2) AR UNDER REIMBURSEMENT REGULATIONS	24,452,000
(3) DUE FROM RELATED PARTIES	13,150,628
(4) OTHER ASSETS	11,375,874
(5) DEFERRED FINANCING COSTS	601,713
(6) CHARITABLE REMAINDER TRUST	487,656
(7) CASH SURR VALUE OF LIFE INSURANCE	
(8) INSURANCE RECEIVABLE	
(9) INSURANCE RECEIVABLE - CURRENT	

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

1 **(a)** Description of Liability	**(b)** Book Value
ACCRUED RETIREMENT BENEFITS	118,184,751
A/P UNDER REIMBURSEMENT REGULATIONS	51,860,000
DUE TO RELATED PARTIES	32,431,417
SELF INSURANCE RESERVES	17,177,356
ASSET RETIREMENT OBLIGATION	16,990,248
LINE OF CREDIT	15,000,000
SWAP AGREEMENTS	7,836,711
LEASES PAYABLE	4,048,818
OTHER LIABILITIES	1,147,629
INSURANCE CLAIMS PAYABLE	

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MAINE MEDICAL CENTER

Employer identification number
01-0238552

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 (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☑ **No**

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

(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(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
Total . . . . . ▶						

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

ME, FL, NH

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 RADIOTHON/TELET (event type)	(b) Event #2 MCCP STRIKE OUT (event type)	(c) Other events 8 (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	163,026	138,070	463,275	764,371
	2 Less Contributions	163,026	138,070	395,300	696,396
	3 Gross income (line 1 minus line 2)			67,975	67,975
Direct Expenses	4 Cash prizes				
	5 Noncash prizes			2,447	2,447
	6 Rent/facility costs	146		36,947	37,093
	7 Food and beverages	578	9,397	3,307	13,282
	8 Entertainment	850			850
	9 Other direct expenses	2,571	6,221	32,671	41,463
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(95,135)
	11 Net income summary Combine line 3, column (d), and line 10 ▶				-27,160

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))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary Combine lines 1 and 7 in column (d) ▶				

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

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

b If "No," explain _____

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

b If "Yes," explain _____

Does the organization operate gaming activities with nonmembers? . . . . . ☐ Yes ☐ No

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

13 Indicate the percentage of gaming activity operated in

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

14 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)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MAINE MEDICAL CENTER

Employer identification number
01-0238552

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care ☐ 100% ☐ 150% ☐ 200% ☑ Other 175 000 %	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other 225 000 %	3b	Yes	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			18,757,608		18,757,608	2 050 %
b Medicaid (from Worksheet 3, column a)			104,270,653	80,305,083	23,965,570	2 620 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			123,028,261	80,305,083	42,723,178	4 680 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			309,154		309,154	0 030 %
f Health professions education (from Worksheet 5)			47,845,565	10,938,014	36,907,551	4 040 %
g Subsidized health services (from Worksheet 6)			41,168,174		41,168,174	4 510 %
h Research (from Worksheet 7)			21,892,426	14,831,229	7,061,197	0 770 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			206,019		206,019	0 020 %
j **Total.** Other Benefits			111,421,338	25,769,243	85,652,095	9 380 %
k **Total.** Add lines 7d and 7j			234,449,599	106,074,326	128,375,273	14 060 %

Part II **Community Building Activities** Complete this 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			217,649		217,649	0 020 %
4	Environmental improvements						
5	Leadership development and training for community members			1,743		1,743	
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development			160,274		160,274	0 020 %
9	Other						
10	**Total**			379,666		379,666	0 040 %

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

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1		No
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	17,877,877		
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			
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	206,178,266	
6	Enter Medicare allowable costs of care relating to payments on line 5	6	214,081,958	
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-7,903,692	
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used			

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV **Management Companies and Joint Ventures** (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	MAINE MEDICAL CENTER 22 BRAMHALL STREET PORTLAND, ME 04102	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)

Name of hospital facility or facility reporting group MAINE MEDICAL CENTER

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	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	**1**	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☑ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☑ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 13			
3	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	**3**	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website			
b	☑ Available upon request from the hospital facility			
c	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☑ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☑ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**		No
8a	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)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	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)*

Financial Assistance Policy		Yes	No
9 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?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 175 0% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 225 0% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☐ Asset level			
c ☑ Medical indigency			
d ☑ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☑ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☑ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 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?	**15**	Yes	
16 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			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			
17 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?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Part VI)			

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

		Yes	No
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?	**19**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

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?	**21**		No
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?	**22**		No
If "Yes," explain in Part VI			

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?
34

	Name and address	Type of Facility (describe)
1	See Additional Data Table	
2		
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, 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
COSTING METHODOLOGY EXPLANATION	PART I LINE 7	THE COSTING METHODOLOGY FOR THE AMOUNTS REPORTED IN PART I LINE 7 OF THE SCHEDULE H IS BASED ON A RATIO OF PATIENT CARE COST TO CHARGES THIS COST TO CHARGE RATIO WAS DERIVED FROM WORKSHEET 2 RATIO OF PATIENT CARE COSTTOCHARGES PROVIDED IN THE INSTRUCTIONS FOR SCHEDULE H
COMMUNITY BUILDING ACTIVITIES	PART II	COMMUNITY SUPPORT MAINE MEDICAL CENTER MMC IS DEEPLY INVOLVED IN DISASTER PLANNING AT THE LOCAL AND STATE LEVELS ONE OF THREE STATE REGIONAL RESOURCE CENTERS FOR EMERGENCY PREPAREDNESS IS LOCATED AT THE MEDICAL CENTER AND THE HOSPITAL HAS A FULLTIME DIRECTOR OF EMERGENCY PREPAREDNESS NATIONAL DISASTER DRILL MMC PARTICIPATED IN THE US DEPARTMENT OF DEFENSE EXERCISE TITLED VIGILIANT GUARD SOUTHERN MAINE REGIONAL RESOURCE CENTER FOR HEALTH EMERGENCY PREPAREDNESS COORDINATED ALL EMERGENCY PREPAREDNESS ACTIVITIES OF THE SOUTHERN 4 COUNTIES OF MAINE INCLUDING YORK CUMBERLAND SAGADAHOC AND LINCOLN THIS INCLUDES BOTH REGIONAL HOSPITALS AND OVER 300 MEDICAL CENTERS LABORATORIES CLINICS AMBULATORY CENTER PHYSICIAN PRACTICES LONG TERM CARE CENTERS HOME HEALTH AGENCIES IN OUR REGION THIS INCLUDES PUBLIC HEALTHCARE EMERGENCY PREPAREDNESS MMC IS A DUES PAYING MEMBER OF THE PORTLAND REGIONAL AND MAINE STATE CHAMBERS OF COMMERCE PLACEMENT OF PASTORAL CARE STUDENTS IN COMMUNITY AGENCIES ONE DAY PER WEEK DURING THE SUMMER OUTPATIENT CANCER PREBLE STREET NURSING HOMES AND SEAFARERS LEADERSHIP DEVELOPMENT AND TRAINING FOR COMMUNITY MEMBERS DOC4ADAY PROGRAM WORKFORCE DEVELOPMENT CNA TRAINING PROGRAM

Identifier	ReturnReference	Explanation
BAD DEBT EXPENSE EXPLANATION	PART III LINE 4	MAINE MEDICAL CENTER DOES NOT HAVE A SPECIFIC FOOTNOTE IN THE FINANCIAL STATEMENTS THAT DESCRIBES BAD DEBT EXPENSE MAINE MEDICAL CENTER REPORTS ACCOUNTS RECEIVABLE FOR SERVICES RENDERED NET OF ALLOWANCES FOR CONTRACTUAL ADJUSTMENTS THIRD PARTY REIMBURSING AGENCIES FREE CARE AND BAD DEBTS A BAD DEBT ALLOWANCE IS ESTABLISHED FOR ACCOUNTS THE HOSPITAL BELIEVES WILL BECOME UNCOLLECTIBLE THE ALLOWANCE IS ESTABLISHED BY EXAMINING HISTORICAL DATA AGING TRENDS OF COMMERCIAL INSURANCE AND SELFPAY BALANCES AND ECONOMIC TRENDS THE OFFSET TO THE ALLOWANCE ACCOUNT IS TO THE PROVISION FOR BAD DEBTS ON THE STATEMENT OF OPERATIONS RECOVERIES ON ACCOUNTS PREVIOUSLY WRITTEN OFF ARE ACCOUNTED FOR ON A CASH BASIS AND ARE APPLIED DIRECTLY TO THE PROVISION FOR BAD DEBTS ON THE STATEMENT OF OPERATIONS AMOUNTS WRITTEN OFF OR RECOVERED FROM BAD DEBTS DURING THE YEAR ARE CHARGED AGAINST THE ALLOWANCE ACCOUNT ON THE BALANCE SHEET BAD DEBT EXPENSE REPRESENTS HEALTHCARE SERVICES MAINE MEDICAL CENTER HAS PROVIDED WITHOUT COMPENSATION AS A TAXEXEMPT HOSPITAL MAINE MEDICAL CENTER PROVIDES NECESSARY PATIENT CARE REGARDLESS OF THE PATIENTS ABILITY TO PAY FOR THE SERVICES IN ADDITION BAD DEBT EXPENSE ALSO INCLUDES AMOUNTS FOR SERVICES PROVIDED TO INDIVIDUALS EXPERIENCING DIFFICULT PERSONAL OR ECONOMIC CIRCUMSTANCES RELATED TO A PORTION OF OUR COMMUNITY BASED PATIENT POPULATION THEIR MEDICAL BILLS OFTEN PLACE THESE INDIVIDUALS IN UNTENABLE POSITIONS WHERE THEY ARE NOT ABLE TO HANDLE THEIR PERSONAL DEBT AND THEN THEIR NEW MEDICAL DEBT HOWEVER BECAUSE OF THEIR INCOME LEVEL THEY DO NOT QUALIFY FOR FREE CARE BY PROVIDING NECESSARY HEALTHCARE SERVICES TO THOSE INDIVIDUALS EITHER WHO FAIL TO APPLY FOR FINANCIAL ASSISTANCE OR WHO ARE EXPERIENCING DIFFICULT PERSONAL OR ECONOMIC CIRCUMSTANCES MAINE MEDICAL CENTER BELIEVES THAT BAD DEBT EXPENSE SHOULD BE INCLUDED AS A COMMUNITY BENEFIT
MEDICARE EXPLANATION	PART III LINE 8	MEDICARE ALLOWABLE COSTS WERE CALCULATED USING A COST TO CHARGE RATIO MAINE MEDICAL CENTER BELIEVES THAT THE MEDICARE SHORTFALL SHOULD BE INCLUDED AS A COMMUNITY BENEFIT BECAUSE THE MEDICAL CENTER HAS A CLEAR MISSION COMMITMENT TO SERVING ELDERLY PATIENTS AND ADULTS WITH DISABILITIES THROUGH THE PROVISION OF SPECIFIC SUBSIDIZED PROGRAMS DEVELOPED TO HELP IMPROVE THE HEALTH STATUS OF THESE PATIENTS IF THESE CRITICAL SUBSIDIZED PROGRAMS WERE NOT PROVIDED BY THE MEDICAL CENTER THEY WOULD BECOME THE OBLIGATION OF THE FEDERAL GOVERNMENT

Identifier	ReturnReference	Explanation
COLLECTION PRACTICES EXPLANATION	PART III LINE 9B	PATIENTS WHO QUALIFY FOR FINANCIAL ASSISTANCE HAVE THEIR ACCOUNT BALANCE ADJUSTED ACCORDINGLY ONCE FINANCIAL ASSISTANCE HAS BEEN APPROVED FOR PATIENTS THAT DO NOT QUALIFY FOR 100 FINANCIAL ASSISTANCE THE APPROPRIATE DISCOUNT PERCENTAGE IS APPLIED AND THE REMAINING BALANCE IS BILLED TO THE RESPONSIBLE PARTY MONTHLY PAYMENT ARRANGEMENTS CAN BE ESTABLISHED BY THE RESPONSIBLE PARTY BY CONTACTING THE PATIENT FINANCIAL SERVICES CUSTOMER SERVICE DEPARTMENT AS A TAXEXEMPT HOSPITAL MAINE MEDICAL CENTER PROVIDES NECESSARY PATIENT CARE REGARDLESS OF THE PATIENTS ABILITY TO PAY FOR THE SERVICES A PORTION OF MAINE MEDICAL CENTERS BAD DEBT
NEEDS ASSESSMENT	PART VI	THE ONEMAINE HEALTH COLLABORATIVE ONEMAINE A PARTNERSHIP BETWEEN MAINEHEALTH EASTERN MAINE HEALTHCARE SYSTEMS AND MAINEGENERAL HEALTH WAS FIRST CREATED IN 2007 AS A WAY TO SHARE INFORMATION AND IDENTIFY THE HEALTH NEEDS OF THE COMMUNITIES SERVED BY THE THREE SYSTEMS IN JANUARY 2010 ONEMAINE CONTRACTED WITH THE UNIVERSITY OF NEW ENGLANDS CENTER FOR COMMUNITY AND PUBLIC HEALTH CCPH TO CONDUCT A STATEWIDE COMMUNITY HEALTH NEEDS ASSESSMENT CHNA THAT WAS PUBLISHED IN 2011 THE ASSESSMENT CONDUCTED IN COLLABORATION WITH THE UNIVERSITY OF SOUTHERN MAINES MUSKIE SCHOOL FOR PUBLIC HEALTH AND MARKET DECISIONS INC WAS DESIGNED TO IDENTIFY THE MOST IMPORTANT HEALTH ISSUES IN THE STATE BOTH OVERALL AND BY COUNTY USING SCIENTIFICALLY VALID HEALTH INDICATORS AND COMPARATIVE INFORMATION THE ASSESSMENT ALSO IDENTIFIED PRIORITY HEALTH ISSUES WHERE BETTER INTEGRATION OF PUBLIC HEALTH AND HEALTHCARE CAN IMPROVE ACCESS QUALITY AND COST EFFECTIVENESS OF SERVICES TO RESIDENTS OF MAINE THIS PROJECT REPRESENTED ONEMAINES EFFORTS TO SHARE INFORMATION THAT CAN LEAD TO IMPROVED HEALTH STATUS AND QUALITY OF CARE AVAILABLE TO MAINE RESIDENTS WHILE BUILDING UPON AND STRENGTHENING MAINES EXISTING INFRASTRUCTURE OF SERVICES AND PROVIDERS

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	PART VI	FINANCIAL ASSISTANCE INFORMATION IS PROVIDED IN THE ADMITTING OUTPATIENT AND EMERGENCY REGISTRATION LOCATIONS IN THE FOLLOWING MANNER POSTINGS INCLUDING FREE CARE PROMPT PAYMENT PROGRAM MONTHLY PAYMENT PLAN AND EXPANDED FREE CARE PROGRAM HANDOUTS INTERVIEWS ALL PATIENTS RECEIVE MMCS FREE CARE GUIDELINES AND FINANCIAL POLICIES BROCHURE EXPLAINING OUR BILLING POLICIES AND CONTACT INFORMATION IF THE PATIENT IS SELF PAY UNDER INSURED OR CAN NOT AFFORD TO PAY THEIR HOSPITAL BILL THEY RECEIVE A FINANCIAL POLICIES BOOK AND FINANCIAL COUNSELING FROM THE REGISTRATION STAFF OR CEA AN OUTSIDE VENDOR WHO HELPS MANAGE THE SELF PAY ACCOUNTS THE BOOKLET INCLUDES INFORMATION ON MMCS FINANCIAL POLICIES FINANCIAL ASSISTANCE INFORMATION INCLUDING FREE CARE PROGRAM INCOME BASED DISCOUNT PROGRAM PROMPT PAY DISCOUNT PROGRAM MONTHLY PAYMENT PLAN PROGRAM AND CARE PARTNERS PROGRAM APPLICATIONS AND INSTRUCTIONS FOR MMCS FREE CARE PROGRAM INCOME BASED DISCOUNT PROGRAM AND MONTHLY PAYMENT PLAN APPLICATION CONTACT INFORMATION FOR ASSISTANCE WITH APPLICATIONS BILLS OR FINANCIAL CONCERNS SELF PAY OR UNDERINSURED PATIENTS REGISTERING IN PERSON OR VIA A PHONE INTERVIEW RECEIVE FINANCIAL COUNSELING INCLUDING INFORMATION ON OUR FINANCIAL ASSISTANCE PROGRAMS AND MAINECARE REGISTRATION STAFF OR CEA PROVIDE FORMS AND ASSIST WITH COMPLETING FINANCIAL ASSISTANCE APPLICATIONS AND PROVIDING FOLLOW UP CONTACT INFORMATION INPATIENTS WHO ARE UNINSURED UNDER INSURED OR ANY PATIENTS WHO MAY HAVE DIFFICULTY PAYING THEIR HOSPITAL BILLS ARE VISITED BY AN ADMITTING FINANCIAL COUNSELOR OR CEA TO DISCUSS FINANCIAL ASSISTANCE PROGRAMS AND ASSIST WITH APPLICATIONS MMCS WEB SITE INCLUDES ON LINE REGISTRATION AND PATIENT BILLING INFORMATION BILLING PROCESS FREE CARE DISCOUNT PROGRAM PROMPT PAY DISCOUNT MONTHLY PAYMENT PLAN PATIENT STATEMENT PRICE INFORMATION CONTACT US AND QUESTIONS PRIMARY LANGUAGE DEAF AND HARD OF HEARING AND INTERPRETER NEEDS ARE ASSESSED DURING THE REGISTRATION INTERVIEW AND SERVICES ARE PROVIDED AS NEEDED IF A PATIENT DOES NOT RESPOND AT PREREGISTRATION REGISTRATION OR WHILE RECEIVING CARE ALL OF THESE PROGRAMS ARE EXPLAINED AGAIN BY THE PATIENT ACCOUNTS STAFF THE INTENT OF THESE EFFORTS IS TO ENSURE THAT THE PATIENT IS FULLY INFORMED OF AND ABLE TO TAKE ADVANTAGE OF THESE ASSISTANCE PROGRAMS
COMMUNITY INFORMATION	PART VI	MOST OF MAINE MEDICAL CENTERS SERVICES ARE FOUND AT OUR MAIN CAMPUS AT 22 BRAMHALL STREET IN MAINES LARGEST CITY PORTLAND A CITY OF 64000 IS LOCATED ON MAINES SOUTHERN COAST THE COST OF LIVING INDEX IS 116 SERVICES ARE ALSO LOCATED AT OUR BRIGHTON CAMPUS AND OUR FAMILY MEDICINE CENTER BOTH LOCATED IN PORTLAND AS WELL AS AT OUR CAMPUSES IN SCARBOROUGH THE FALMOUTH FAMILY HEALTH CENTER AND COASTAL CANCER TREATMENT CENTER IN BATH A JOINT VENTURE WITH SOUTHERN MAINE MEDICAL CENTER AND GOODALL HOSPITAL THE CANCER CARE CENTER OF YORK COUNTY IS LOCATED IN SANFORD NEW ENGLAND REHABILITATION HOSPITAL OF PORTLAND A JOINT VENTURE WITH HEALTHSOUTH IS LOCATED ON OUR BRIGHTON CAMPUS MAINE MEDICAL CENTER IS THE TERTIARY CARE HOSPITAL FOR ALL OF MAINE CARING FOR NEARLY ONE OF EVERY FIVE HOSPITAL INPATIENTS IN THE STATE AS A NONPROFIT INSTITUTION MAINE MEDICAL CENTER PROVIDES 22 PERCENT OF ALL THE CHARITY CARE DELIVERED IN MAINE PORTLAND WHERE OUR MAIN CAMPUS IS LOCATED HAS A LARGE REFUGEE AND IMMIGRANT POPULATION WHILE SERVING ALL SIXTEEN COUNTIES IN MAINE 84 OF ALL INPATIENT AND OUTPATIENT SERVICES PROVIDED BY MAINE MEDICAL CENTER WERE FOR THE RESIDENTS OF BOTH CUMBERLAND AND YORK COUNTIES

Identifier	ReturnReference	Explanation
HEALTH OF COMMUNITY IN RELATION TO EXEMPT PURPOSE	PART VI	MAINE MEDICAL CENTERS DAYTODAY OPERATIONS AS A TAXEXEMPT ORGANIZATION INCLUDE MANY SYSTEMWIDE INITIATIVES IN CUMBERLAND COUNTY AND IN THE STATE OF MAINE AND THE NORTHERN NEW ENGLAND REGION CLINICAL SERVICES RANGE FROM OUTPATIENT CLINICS FOR A DIVERSE POPULATION TO FULL INPATIENT AND SURGICAL SERVICES TO A REGIONAL TRAUMA CENTER AND A NEUROSCIENCE INSTITUTE MANY OF OUR SERVICES AND SPECIALTIES ARE NOT AVAILABLE ELSEWHERE IN THE STATE OR IN OUR REGION WE HAVE PROGRAMS IN UNDERGRADUATE GRADUATE POSTGRAUDATE AND CONTINUING EDUCATION ENGAGE IN CLINICAL RESEARCH AND SUPPORT ORGANIZATIONS AND EFFORTS WHOSE MISSIONS AUGMENT OR COMPLEMENT OURS WE STRIVE TO BE A GOOD INSTITUTIONAL CITIZEN OF OUR REGION AND STATE WITH THESE PROGRAMS MAINE MEDICAL CENTER HOPES TO FILL EXISTING LOCAL GAPS WHILE MAKING A POSITIVE IMPACT IN THE COMMUNITIES WE SERVE THESE PROGRAMS INCLUDE SUBSIDIZED HEALTH SERVICES COMMUNITYBASED CLINICAL SERVICES COMMUNITY EDUCATION SERVICES HEALTH CARE SUPPORT SERVICES COMMUNITY BUILDING ACTIVITIES MEDICAL EDUCATION AND RESEARCH SEE THE ATTACHED COMMUNITY BENEFIT REPORT FOR ADDITIONAL INFORMATION ON EACH OF THESE PROGRAMS AND SERVICES MAINE MEDICAL CENTER MADE A NET ASSET TRANSFER TO ITS WHOLLY OWNED SUBSIDIARY MAINE MEDICAL PARTNERS IN THE AMOUNT OF 37981136 TO COVER THE LOSSES RELATED TO MISSIONCRITICAL PHYSICIAN PRACTICES TO ENSURE ACCESS FOR THE COMMUNITY TO SUCH SPECIALTIES AS TRAUMA SURGERY NEUROSURGERY UROLOGY VARIOUS PEDIATRIC SPECIALTIES AND HIGHRISK OBSTETRICS
AFFILIATED HEALTH CARE INFORMATION	PART VI	MAINEHEALTH IS A NOTFORPROFIT FAMILY OF LEADING HIGHQUALITY PROVIDERS AND OTHER HEALTHCARE ORGANIZATIONS WORKING TOGETHER SO THEIR COMMUNITIES ARE THE HEALTHIEST IN AMERICA RANKED AMONG THE NATIONS TOP 100 INTEGRATED HEALTHCARE DELIVERY NETWORKS MAINEHEALTH IS GOVERNED BY A BOARD OF TRUSTEES CONSISTING OF COMMUNITY AND BUSINESS LEADERS FROM ITS SOUTHERN CENTRAL AND WESTERN MAINE REGIONAL SERVICE AREAS THE COLLABORATION OF MAINEHEALTH MEMBERS MAKES IT POSSIBLE TO OFFER AN EXTENSIVE RANGE OF CLINICAL INTEGRATION AND COMMUNITY HEALTH PROGRAMS MANY AIMED AT IMPROVING ACCESS TO PREVENTIVE AND PRIMARY CARE SERVICES MAINEHEALTH INCLUDES THE FOLLOWING MEMBER ORGANIZATIONS LINCOLN COUNTY HEALTHCARE MAINE MEDICAL CENTER MAINE MENTAL HEALTH PARTNERS SPRING HARBOR HOSPITAL PEN BAY HEALTHCARE PEN BAY MEDICAL CENTER SOUTHERN MAINE HEALTH CARE SOUTHERN MAINE MEDICAL CENTER AND GOODALL HOSPITAL WALDO COUNTY HEALTHCARE WALDO COUNTY GENERAL HOSPITAL WESTERN MAINE HEALTH STEPHENS MEMORIAL HOSPITAL HOMEHEALTH VISITING NURSES MAINE PHYSICIAN HOSPITAL ORGANIZATION NORDX SYNERNET AND MAINEHEALTH ACCOUNTABLE CARE ORGANIZATION THE STRATEGIC AFFILIATES OF MAINEHEALTH ARE MAINEGENERAL MEDICAL CENTER MID COAST HOSPITAL AND ST MARYS REGIONAL MEDICAL CENTER

Identifier	ReturnReference	Explanation
LIST OF STATES WHERE COMMUNITY BENEFIT REPORT IS FILED	PART VI	MAINE
ADDITIONAL INFORMATION	PART VI	PART I LINE 3B MAINE MEDICAL CENTER USES FEDERAL POVERTY GUIDELINES FPG FOR PROVIDING DISCOUNTED CARE TO LOW INCOME INDIVIDUALS THE FAMILY INCOME LIMIT FOR ELIGIBILITY FOR DISCOUNTED CARE IS 176 225 PART V SECTION B LINE 5A HOSPITAL FACILITYS WEBSITE HTTPWWWMAINEHEALTHCOMMHBODYCFMID7301

Identifier	ReturnReference	Explanation
MAINE MEDICAL CENTER LINE NUMBER 1 PART V LINE 1J	PART V LINE 1J	ALSO INCLUDED IN THE CHNA WAS A PRIORITIZED LIST OF HEALTH NEEDS IDENTIFIED AS WELL AS THE IMPLEMENTATION PLANS RELATED TO THESE NEEDS
MAINE MEDICAL CENTER LINE NUMBER 1 PART V LINE 3	PART V LINE 3	COMMUNITY INPUT WAS TAKEN INTO ACCOUNT WHEN CONDUCTING THE CHNA INCLUDING THOSE WITH SPECIAL KNOWLEDGE OF OR EXPERTISE IN PUBLIC HEALTH THIS INCLUDED INDIVIDUALS FROM THE FOLLOWING FACILITIES NEW ENGLAND REHABILIATION HOSPITAL CITY OF PORTLAND HEALTH AND HUMAN SERVICES DEPARTMENT THE OPPORTUNITY ALLIANCE MERCY HEALTH SYSTEM VNA HOME HEALTH HOSPICE MAINE CENTERS FOR DISEASE CONTROL UNITED WAY OF GREATER PORTLAND HEALTHY CASCO BAY MAINE MEDICAL CENTER MAINEHEALTH SPRING HARBOR COMMUNITY SERVICES HEALTHY PORTLAND AND MMC PHYSICIANHOSPITAL ORGANIZATION

Identifier	ReturnReference	Explanation
MAINE MEDICAL CENTER LINE NUMBER 1 PART V LINE 4	PART V LINE 4	THE CHNA WAS CONDUCTED THROUGH A PARTNERSHIP BETWEEN MAINEHEALTH EASTERN MAINE HEALTHCARE SYSTEMS AND MAINEGENERAL HEALTH
MAINE MEDICAL CENTER LINE NUMBER 1 PART V LINE 7	PART V LINE 7	THE FOLLOWING IDENTIFIED COMMUNITY HEALTH NEEDS WERE NOT ADDRESSED ACCESS TO CAREED VISITS ALCOHOL AND SUBSTANCE USE INFECTIOUS DISEASEIMMUNIZATIONS AND MENTAL HEALTH THESE PRIORITIES WERE NOT ADDRESSED DUE TO THE LACK OF CONSENSUS FROM COMMUNITY PARTNERS REGARDING THE IMPORTANCE OF THE ISSUE ANDOR A LACK OF RESOURCES TO ADDRESS THE ISSUE

Identifier	ReturnReference	Explanation
MAINE MEDICAL CENTER LINE NUMBER 1 PART V LINE 12H	PART V LINE 12H	UPON RECEIPT OF AN APPLICATION MAINE MEDICAL CENTER SHALL DETERMINE IF AN INDIVIDUAL SEEKING FREE CARE QUALIFIES FOR SUCH CARE AND IF SERVICES RENDERED WERE MEDICALLY NECESSARY
MAINE MEDICAL CENTER LINE NUMBER 1 PART V LINE 20D	PART V LINE 20D	MAINE MEDICAL CENTER USES ITS CHARGES FROM ITS CHARGE DESCRIPTION MASTER TO DETERMINE THE FULL CHARGE THEN MAINE MEDICAL CENTER USES FEDERAL POVERTY GUIDELINES FPG FOR PROVIDING DISCOUNTED CARE TO LOW INCOME INDIVIDUALS THE FAMILY INCOME LIMIT FOR ELIGIBILITY FOR DISCOUNTED CARE IS 176 225

Additional Data

Software ID:
Software Version:
EIN: 01-0238552
Name: MAINE 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?
34

Name and address	Type of Facility (describe)
MMC SCARBOROUGH CAMPUS 100 CAMPUS DRIVE SCARBOROUGH,ME 04074	GENERAL MEDICAL AND SURGICAL
MMC SCARBOROUGH SURGICAL CENTER 84 CAMPUS DRIVE SCARBOROUGH,ME 04074	GENERAL MEDICAL AND SURGICAL
MMC BRIGHTON CAMPUS 335 BRIGHTON AVE PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
MCGEACHY HALL 216 VAUGHN STREET PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
CARDIOLOGY 96 CAMPUS DRIVE SCARBOROUGH,ME 04074	GENERAL MEDICAL AND SURGICAL
MMC CLINICS 22 BRAMHALL STREET PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
MMC FAMILY MEDICINE 272 CONGRESS STREET PORTLAND,ME 04101	GENERAL MEDICAL AND SURGICAL
NEUROSURGERY & SPINE AND NEUROLOGY 49 SPRING STREET SCARBOROUGH,ME 04074	GENERAL MEDICAL AND SURGICAL
MENTAL HEALTH SERVICES 66 BRAMHALL STREET PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
CAPE ELIZABETH INTERNAL MEDICINE 155 SPURWINK AVE CAPE ELIZABETH,ME 04107	GENERAL MEDICAL AND SURGICAL
COASTAL CANCER TREATMENT CENTER 175 CONGRESS STREET BATH,ME 04350	GENERAL MEDICAL AND SURGICAL
MAINE TRANSPLANT PROGRAM 19 WEST STREET PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
MMC FALMOUTH CAMPUS 5 BUCKNAM ROAD FALMOUTH,ME 04105	GENERAL MEDICAL AND SURGICAL
UROLOGY 100 BRICKHILL AVE SUITE 100 SOUTH PORTLAND,ME 04106	GENERAL MEDICAL AND SURGICAL
WOMEN'S HEALTH DIVISION OF GYNECOLOGIC ONCOLOGY 102 CAMPUS DRIVE UNIT 116 SCARBOROUGH,ME 04074	GENERAL MEDICAL AND SURGICAL
MMC PEDIATRIC CLINIC 22 BRAMHALL STREET PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
MAINE INSTITUTE FOR SLEEP AND BREATHING DISORDERS 930 CONGRESS STREET PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
MMC TURNING POINT REHAB CENTER 96 CAMPUS DRIVE SCARBOROUGH,ME 04074	GENERAL MEDICAL AND SURGICAL
ORTHOPEDICS 335 BRIGHTON AVE PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
ENDOCRINOLOGY & DIABETES 175 US ROUTE 1 SCARBOROUGH,ME 04074	GENERAL MEDICAL AND SURGICAL
PEDIATRIC SURGERY & SPECIALTY CARE 887 CONGRESS STREET PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
LAKES REGION PRIMARY CARE 584 ROOSEVELT TRAIL WINDHAM,ME 04062	GENERAL MEDICAL AND SURGICAL
OTOLARYNGOLOGY 1250 FOREST AVENUE PORTLAND,ME 04103	GENERAL MEDICAL AND SURGICAL
FALMOUTH INTERNALPEDIATRIC MEDICINE 5 BUCKMAN ROAD SUITE 2A FALMOUTH,ME 04105	GENERAL MEDICAL AND SURGICAL
MMC BARIATRIC SURGERY CLINIC 12 ANDOVER ROAD PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
PORTLAND PEDIATRICS 1577 CONGRESS STREET PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
AMBULATORY CLINIC SERVICES 48-52 GILMAN STREET PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
MAINE CHILDREN'S CANCER PROGRAM 100 CAMPUS DRIVE UNIT 107 SCARBOROUGH,ME 04074	GENERAL MEDICAL AND SURGICAL
CENTER FOR TOBACCO INDEPENDENCE 315 PARK AVENUE SECOND FLOOR PORTLAND,ME 04101	GENERAL MEDICAL AND SURGICAL
PEAKS ISLAND FAMILY MEDICINE 87 CENTRAL AVENUE PEAKS ISLAND,ME 04108	GENERAL MEDICAL AND SURGICAL

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?
34

Name and address	Type of Facility (describe)
DEPARTMENT OF VOCATIONAL SERVICES 39 FOREST AVE PORTLAND,ME 04101	GENERAL MEDICAL AND SURGICAL
MAINE MENTAL HEALTH SERVICES 295 PARK AVE PORTLAND,ME 04102	GENERAL MEDICAL AND SURGICAL
SCARBOROUGH FAMILY MEDICINE 96 CAMPUS DRIVE SUITE 2C SCARBOROUGH,ME 04074	GENERAL MEDICAL AND SURGICAL
GORHAM FAMILY MEDICINE 94 MAIN STREET GORHAM,ME 04038	GENERAL MEDICAL AND SURGICAL

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MAINE MEDICAL CENTER

Employer identification number
01-0238552

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. 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

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
(1) SCHOLARSHIPS	160	1,559,800			

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
PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS INSIDE THE UNITED STATES	SCHEDULE I, PAGE 1, PART I, LINE 2	FOR THE NURSING SCHOLARSHIPS, AS AN APPLICATION REQUIREMENT, EACH SCHOLARSHIP APPLICANT MUST PROVIDE CONFIRMATION OF ENROLLMENT IN A PROGRAM OF STUDIES IN NURSING FOR THE MEDICAL EDUCATION SCHOLARSHIPS FOR STUDENTS IN THE MAINE TRACK OF THE MMC TUSM MEDICAL SCHOOL PROGRAM, THE MEDICAL CENTER TRANSFERS THE SCHOLARSHIP FUNDS TO THE TUFTS SCHOOL OF MEDICINE FINANCIAL AID DEPARTMENT FOR DISBURSEMENT TO THE STUDENTS TUFTS HANDLES ANY OVERSIGHT TO ENSURE THAT THE FUNDS ARE USED AS INTENDED MAINE MEDICAL CENTER'S ROLE IS LIMITED TO MATCHING ELIGIBLE STUDENTS WITH SCHOLARSHIP SELECTION CRITERIA AND DETERMINING WHO RECEIVES EACH SCHOLARSHIP AWARD

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MAINE MEDICAL CENTER

Employer identification number
01-0238552

Part I Questions Regarding Compensation

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

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use 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				
See Additional Data Table							

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
SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS	SCHEDULE J, PAGE 1, PART I, LINE 4	WILLIAM L CARON, JR 0 322,266 0 RICHARD W PETERSEN 0 362,373 0 SAMUEL BROADDUS, M D 0 3,130 0 PETER BATES, M D 0 55,428 0 MARJORIE WIGGINS 0 147,689 0 JOHN E HEYE 0 108,412 0 JEFFREY SANDERS 0 1,111 0 DONALD E QUIGLEY 0 29,797 0 JOSEPH ALEXANDER, M D 0 255,673 0 JAMES WILSON, M D 0 43,977 0 JEFFREY FLORMAN, M D 0 33,587 0 KONRAD BARTH, M D 0 49,222 0 RAJIV DESAI, M D 0 40,846 0
OTHER ADDITIONAL INFORMATION	SCHEDULE J, PART III	TOP MANAGEMENT OFFICIALS THAT ARE COMPENSATED BY RELATED ORGANIZATIONS USED ONE OR MORE OF THE METHODS AT PART I, LINE 3 TO ESTABLISH THE COMPENSATION OF TOP MANAGEMENT

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 01-0238552
Name: MAINE 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				
WILLIAM L CARON JR	(I) (II)	693,849	165,000	334,713	55,175	20,636	1,269,373	
RICHARD W PETERSEN	(I) (II)	654,220	162,000	374,695	42,885	20,221	1,254,021	
REED QUINN MD	(I) (II)	512,100	143,750	1,697	55,447	11,827	724,821	
SAMUEL BROADDUS MD	(I) (II)	371,451	10,000	7,666	34,021	17,277	440,415	
PETER BATES MD	(I) (II)	437,810	61,116	58,992	49,685	17,956	625,559	
MARJORIE WIGGINS	(I) (II)	278,037	38,997	151,328	50,480	9,537	528,379	
JOHN E HEYE	(I) (II)	299,778	42,074	111,976	57,132	16,896	527,856	
JEFFREY SANDERS	(I) (II)	363,936	67,962	1,651	23,665	17,535	474,749	
DONALD E QUIGLEY	(I) (II)	276,686	36,000	36,595	69,579	16,438	435,298	
JOSEPH ALEXANDER MD	(I) (II)	774,773	175,358	256,950	28,848	21,368	1,257,297	
JAMES WILSON MD	(I) (II)	601,702	497,713	44,822	28,867	21,385	1,194,489	
JEFFREY FLORMAN MD	(I) (II)	601,577	480,496	34,162	24,481	21,198	1,161,914	
KONRAD BARTH MD	(I) (II)	597,613	463,739	50,499	29,095	21,750	1,162,696	
RAJIV DESAI MD	(I) (II)	596,966	391,365	42,123	23,367	21,499	1,075,320	

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MAINE MEDICAL CENTER

Employer identification number
01-0238552

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	MAINE HEALTH & HIGHER ED FACILITIE AUTHORITY	01-0314384	560425W48	05-22-2008	107,180,000	REFUND BONDS ISSUED 5/18/2006 AND 7/12/2006		X		X		X
B	MAINE HEALTH & HIGHER ED FACILITIE AUTHORITY	01-0314384	560425W55	06-19-2008	25,985,000	REFUND BONDS ISSUED 5/18/2006		X		X		X
C	MAINE HEALTH & HIGHER ED FACILITIE	01-0314384	560427LW4	08-31-2011	17,998,986	REFUND BONDS ISSUED 7/9/1998, 12/10/1998, 5/19/1999, AND 11/15/2001		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	13,810,000	21,260,000	1,385,000	
2	Amount of bonds legally defeased				
3	Total proceeds of issue	107,180,008	25,985,000	17,998,986	
4	Gross proceeds in reserve funds	12,743,836	4,954,673	1,745,141	
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	484,392	163,914	186,573	
8	Credit enhancement from proceeds	38,754	9,396		
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	4,226			
11	Other spent proceeds	106,009,079	25,811,690	17,812,413	
12	Other unspent proceeds				
13	Year of substantial completion	2008			

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	%		%		%		%	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	%		%		%		%	
6	Total of lines 4 and 5	%		%		%		%	
7	Does the bond issue meet the private security or payment test?		X		X		X		
8a	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		X		X		
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of	%		%		%		%	
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?		X		X		X		
9	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	X			X		

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?	X			X		X		
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X		X	X			
b	Exception to rebate?		X		X		X		
c	No rebate due?	X		X			X		
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?	X		X			X		
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X		X			X		
b	Name of provider	SEE PART VI		MORGAN STANLEY					
c	Term of hedge		60		60				
d	Was the hedge superintegrated?		X		X				
e	Was a hedge terminated?		X		X				

Part IV Arbitrage *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?	X		X			X		
b	Name of provider	TRANSAMERICA LI		TRANSAMERICA LI					
c	Term of GIC		28 1		6 0				
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X		X					
6	Were any gross proceeds invested beyond an available temporary period?	X		X			X		
7	Has the organization established written procedures to monitor the requirements of section 148?		X		X	X			

Part V Procedures To Undertake Corrective Action

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	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 Additional Data Table		

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 01-0238552
Name: MAINE MEDICAL CENTER

Form 990 Schedule K, Part VI - Supplemental Information

Identifier	Return Reference	Explanation
DATE REBATE COMPUTATION PERFORMED	SCHEDULE K	MAINE HEALTH HIGHER ED FACILITIE 081009

Form 990 Schedule K, Part VI - Supplemental Information

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	SCHEDULE K	MAINE HEALTH HIGHER ED FACILITIE THE DIFFERENCE BETWEEN THE ISSUE PRICE PART I AND TOTAL P ROCEEDS PART II LINE 3 IN COLUMN A IS DUE TO INVESTMENT EARNINGS PART II LINE 4 COLUMN A T HE AMOUNT SHOWN HERE CONSISTS OF 8895951 IN A DEBT SERVICE RESERVE FUND PLUS 3847885 OF DE BT SERVICE FUND DEPOSITS PART IV LINES 4B AND 4C COLUMN A THERE ARE THREE SEPARATE HEDGING CONTRACTS IDENTIFIED WITH THESE BONDS WITH MORGAN STANLEY CAPITAL SERVICES INC TERM 281 Y EARS MERRILL LYNCH CAPITAL SERVICES INC TERM 181 YEARS AND MORGAN STANLEY CAPITAL SERVICES INC TERM 281 YEARS MAINE HEALTH HIGHER ED FACILITIE PART II LINE 4 COLUMN B THE AMOUNT SH OWN HERE CONSISTS OF 2614827 IN A DEBT SERVICE RESERVE FUND PLUS 2339846 OF DEBT SERVICE F UND DEPOSITS PART III HAS NOT BEEN COMPLETED WITH RESPECT TO THE BONDS SHOWN IN COLUMNS B AND C SINCE THE ORIGINAL PROJECTS BEING REFINANCED BY SUCH BONDS ARE TRACEABLE TO BONDS IS SUED BEFORE 2003 COLUMN B OR THE BONDS BEING REFINANCED BY SUCH BONDS WERE ISSUED BEFORE 2 003 COLUMN C PART IV LINE 2C COLUMN B THE FIRST COMPUTATION DATE FOR THESE BONDS ENDED 712 009 AND CALCULATION WAS PERFORMED 8102009 PART IV LINE 6 COLUMNS A AND B SUCH AMOUNTS WERE APPROPRIATELY YIELDRESTRICTED MAINE HEALTH HIGHER ED FACILITIE SERIES 2011 BONDS WITH RES PECT TO PART I COLUMN E AND PART II LINES 112 COLUMN C THE INSTITUTION IS REPORTING ITS AL LOCABLE PORTION OF THIS BOND ISSUE THE REMAINDER OF WHICH IS ALLOCABLE TO AFFILIATED ENTIT IES FOR PURPOSES OF PART I COLUMN I THE INSTITUTION HAS ASSUMED THAT THIS ARRANGEMENT DOES NOT CONSTITUTE A POOLED FINANCING PART II LINE 4 COLUMN C THE AMOUNT SHOWN HERE CONSISTS OF 1402046 IN A DEBT SERVICE RESERVE FUND PLUS 343095 OF DEBT SERVICE FUND DEPOSITS

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MAINE MEDICAL CENTER

Employer identification number
01-0238552

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

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

1 (a) Name of disqualified person	(b) 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

(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
Total			▶ $									

Part III Grants or Assistance Benefitting Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of 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) CHRISTOPHER EMMONS	SEE PART V		SEE PART V		No
(2) MORRIS FISHER	SEE PART V		SEE PART V		No
(3) PETER BATES MD	SEE PART V		SEE PART V		No
(4) DAVID WENNBERG MD	SEE PART V		SEE PART V		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
ADDITIONAL INFORMATION	SCHEDULE L PART V	CHRISTOPHER EMMONS IS A MEMBER OF THE BOARD OF TRUSTEES OF MAINE MEDICAL CENTER AS WELL AS THE PRESIDENT OF GORHAM SAVINGS BANK MAINE MEDICAL CENTER HAS COPIER LEASES THROUGH GORHAM SAVINGS LEASING GROUP WHICH IS A WHOLLY OWNED SUBSIDIARY OF GORHAM SAVINGS BANK ALL TRANSACTIONS WERE AT ARMS LENGTH FOR FAIR VALUE AND IN THE ROUTINE COURSE OF BUSINESS MORRIS FISHER IS A MEMBER OF THE BOARD OF TRUSTEES OF MAINE MEDICAL CENTER AS WELL AS THE PRESIDENT OF THE BOULOS COMPANY THE BOULOS COMPANY PROVIDES PROPERTY MANAGEMENT SERVICES TO MAINE MEDICAL CENTER ALL TRANSACTIONS WERE AT ARMS LENGTH FOR FAIR VALUE AND IN THE ROUTINE COURSE OF BUSINESS PETER BATES MD IS AN OFFICER OF MAINE MEDICAL CENTER AND A MEMBER OF THE BOARD OF TRUSTEES OF MEDICAL MUTUAL INSURANCE CO OF MAINE MEDICAL MUTUAL INSURANCE PROVIDES MALPRACTICE INSURANCE TO MAINE MEDICAL CENTER ALL TRANSACTIONS WERE AT ARMS LENGTH FOR FAIR VALUE AND IN THE ROUTINE COURSE OF BUSINESS DAVID WENNBERG MD IS A MEMBER OF THE BOARD OF TRUSTEES OF MAINE MEDICAL CENTER AS WELL AS THE PRESIDENT OF NORTHERN NEW ENGLAND ACCOUNTABLE CARE COLLABORATIVE NNEACC NNEACC WAS FOUNDED BY THREE HEALTHCARE SYSTEMS INCLUDING MAINEHEALTH MAINE MEDICAL CENTERS PARENT ALL TRANSACTIONS WERE AT ARMS LENGTH FOR FAIR VALUE AND IN THE ROUTINE COURSE OF BUSINESS

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MAINE MEDICAL CENTER

Employer identification number
01-0238552

Part I Types of Property

		(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
1	Art—Works of art	X	6	795	SELLING PRICE
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications	X		226	SELLING PRICE
5	Clothing and household goods	X		1,025	SELLING PRICE
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded	X	22	44,612	FAIR MARKET VALUE
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution—Historic structures				
14	Qualified conservation contribution—Other				
15	Real estate—Residential				
16	Real estate—Commercial				
17	Real estate—Other				
18	Collectibles	X	4	1,070	SELLING PRICE
19	Food inventory	X	4	730	SELLING PRICE
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▶ (GIFTS IN KIND)	X	11		
26	Other ▶ (AUCTION ITEMS)	X	42	4,983	SELLING PRICE
27	Other ▶( )				
28	Other ▶ ( )				

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

			Yes	No
30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a		No
b	If "Yes," describe the arrangement in Part II			
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31	Yes	
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	32a		No
b	If "Yes," describe in Part II			
33	If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II			

Part II **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
EXPLANATION FOR NOT REPORTING REVENUE	SCHEDULE M, PAGE 1, PART I, LINE 33	THERE WERE TWO CONTRIBUTIONS OF STOCK THAT WERE RECEIVED DURING FY13 AS A PAYMENT ON A PRIOR YEAR PLEDGE ACCORDINGLY, NO ADDITIONAL REVENUE WAS RECORDED FOR THESE CONTRIBUTIONS THE CONTRIBUTIONS ARE INCLUDED IN COLUMN (B) THERE WERE ELEVEN GIFTS-IN-KIND OF NON CASH CONTRIBUTIONS THAT WERE NOT RECORDED AS REVENUE

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
MAINE MEDICAL CENTER

Employer identification number
01-0238552

Identifier	Return Reference	Explanation
ORGANIZATION'S MISSION	FORM 990 - ORGANIZATION'S MISSION	
ALL OTHER ACCOMPLISHMENT DESCRIPTION	FORM 990, PAGE 2, PART III, LINE 4D	LABORATORY, EDUCATION, RESEARCH, RADIOLOGY, DELIVERY AND LABOR ROOM, ANESTHESIOLOGY, AND OTHER ANCILLARY SERVICES
CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PAGE 6, PART VI, LINE 6	MAINEHEALTH (EIN 01-0431680) IS THE SOLE MEMBER OF THE ORGANIZATION
ELECTION OF MEMBERS AND THEIR RIGHTS	FORM 990, PAGE 6, PART VI, LINE 7A	THE SOLE MEMBER OF THE ORGANIZATION HAS THE RESPONSIBILITY FOR THE ELECTION OF THE MEMBERS OF THE GOVERNING BODY
DECISIONS SUBJECT TO APPROVAL OF MEMBERS	FORM 990, PAGE 6, PART VI, LINE 7B	THERE ARE DECISIONS BY THE GOVERNING BODY THAT REQUIRE THE APPROVAL OF ITS SOLE MEMBER TH EY INCLUDE 1 THE ADOPTION OF OPERATING AND CAPITAL BUDGETS, 2 THE APPROVAL OF ANY SIGNI FICANT STRATEGIC PLAN FOR PROGRAMS OR FACILITIES, 3 THE AUTHORIZATION OF DEBT INCURRED, A SSUMED, OR GUARANTEED BY THE MEDICAL CENTER IN EXCESS OF 1,000,000 AND ITS SUBSIDIARIES IN EXCESS OF 1,000,000 OTHER THAN AS PROVIDED FOR IN ANNUAL CAPITAL AND OPERATING BUDGETS, 4 THE AUTHORIZATION FOR ANY ACQUISITION, DISPOSITION, ORGANIZATION OR INVESTMENT IN ANY OT HER CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR JOINT VENTURE, 5 THE AUTHORIZA TION FOR ANY SALE, ASSIGNMENT, TRANSFER, MORTGAGE OR ENCUMBRANCE OF ANY PROPERTIES OR ASSE TS HAVING AN AGGREGATE VALUE IN EXCESS OF 1,000,000, 6 THE AUTHORIZATION FOR ANY MERGER O R CONSOLIDATION INVOLVING THE MEDICAL CENTER OR ITS SUBSIDIARIES AS A CONSTITUENT ENTITY O R ANY SALE OR OTHER DISPOSITION OF SUBSTANTIALLY ALL OF THE ASSETS OF THE MEDICAL CENTER O R ITS SUBSIDIARIES, 7 THE AUTHORIZATION FOR THE INSTITUTION OF ANY BANKRUPTCY, INSOLVENCY OR REORGANIZATION PROCEEDINGS, 8 THE AUTHORIZATION FOR THE CAPITAL INVESTMENT IN ANY IND IVIDUAL, ENTITY, OR PROJECT IN THE FORM OF CASH OR EITHER TANGIBLE OR INTANGIBLE PROPERTY IN EXCESS OF 1,000,000, 9 THE AMENDMENT OF THE ARTICLES OF INCORPORATION, 10 THE SELECTI ON, ANNUAL ELECTION, EVALUATION, AND TERMINATION OF THE MEDICAL CENTER'S CEO, 11 THE AUTH ORIZATION FOR THE COMMENCEMENT OF LITIGATION BY THE MEDICAL CENTER OTHER THAN ROUTINE COLL ECTION ACTIONS, 12 THE ADOPTION OF THE MEDICAL CENTER'S BYLAWS AND ANY AMENDMENTS AND MOD IFICATIONS TO THE MEDICAL CENTER'S BYLAWS
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 11B	THE 990 WAS REVIEWED IN DETAIL BY THE FINANCE COMMITTEE OF THE BOARD OF TRUSTEES THE 990 WAS ALSO MADE AVAILABLE TO THE FULL BOARD OF TRUSTEES THE BOARD WAS THEN GIVEN AN OPPORTU NITY TO ASK QUESTIONS OF THE CHAIRMAN OF THE BOARD, THE CEO, OR THE SR VICE PRESIDENT FOR FINANCE & CFO THE SR VICE PRESIDENT FOR FINANCE & CFO ALSO REVIEWED THE 990 IN DETAIL B EFORE SIGNING THE RETURN
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	CONFLICTS OF INTEREST STATEMENTS ARE OBTAINED ANNUALLY MAINEHEALTH'S AUDIT & COMPLIANCE S ERVICES DEPARTMENT COLLECTS AND REVIEWS THE RESPONSES TO THESE DOCUMENTS AND ADDRESSES ANY ISSUES IMMEDIATELY THE RESULTS ARE SHARED WITH BOARD LEADERSHIP
COMPENSATION PROCESS FOR TOP OFFICIAL	FORM 990, PAGE 6, PART VI, LINE 15A	MAINE MEDICAL CENTER USES AN OUTSIDE FIRM, SULLIVAN COTTER, TO PERFORM AN INDEPENDENT BENC HMARK ANALYSIS THEY MEET WITH THE BOARD OF TRUSTEES EXECUTIVE COMPENSATION COMMITTEE TO R EVIEW THE CEO'S BENCHMARK REPORT THE EXECUTIVE COMMITTEE THEN DELIBERATES ON MMC'S WRITTE N SALARY AND INCENTIVE COMPENSATION PLAN PHILOSOPHY AND DOCUMENTS BEFORE MAKING A FINAL DE CISION ALL DECISIONS AND MEETINGS ARE CAPTURED IN MINUTES THERE IS APPROPRIATE REPORTING AT ALL LEVELS
COMPENSATION PROCESS FOR OFFICERS	FORM 990, PAGE 6, PART VI, LINE 15B	MAINE MEDICAL CENTER USES AN OUTSIDE FIRM, SULLIVAN COTTER, TO PERFORM AN INDEPENDENT BENC HMARK ANALYSIS THEY MEET WITH THE BOARD OF TRUSTEES EXECUTIVE COMPENSATION COMMITTEE TO R EVIEW EACH EXECUTIVE BENCHMARK REPORT THE EXECUTIVE COMMITTEE THEN DELIBERATES ON MMC'S W RITTEN SALARY AND INCENTIVE PLAN PHILOSOPHY AND DOCUMENTS BEFORE MAKING A FINAL DECISION ALL DECISIONS AND MEETINGS ARE CAPTURED IN MINUTES THERE IS APPROPRIATE REPORTING AT ALL LEVELS
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	DOCUMENTS THAT ARE REQUIRED TO BE OPEN FOR PUBLIC INSPECTION ARE MADE AVAILABLE UPON REQUEST
OTHER CHANGES IN NET ASSETS EXPLANATION	FORM 990, PART XI, LINE 9	RETIREMENT BENEFIT PLAN ADJUSTMENTS 91,195,810 EQUITY TRANSFERS TO AFFILIATES -40,477,575 NET ASSETS RELEASED FROM RESTRICTION - 6,986,626

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MAINE MEDICAL CENTER

Employer identification number
01-0238552

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	(g) No
See Additional Data Table							

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) MAINEHEALTH ACCOUNTABLE CARE ORG 110 FREE STREET PORTLAND, ME 04101 45-2929273	ADMINSERV	ME	MH	RELATED		1,719,090		No		Yes		65 300 %
(2) MAINEHEALTH ACCOUNTABLE CARE ORG 110 FREE STREET PORTLAND, ME 04101 45-2929273	ADMINSERV	ME	MH	RELATED		1,719,090		No		Yes		65 300 %

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	(i) No
See Additional Data Table									

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

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

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

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

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

Software ID:
Software Version:
EIN: 01-0238552
Name: MAINE MEDICAL CENTER

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(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	(i) Section 512(b)(13) controlled entity? No
MAINE MEDICAL PARTNERS (MMP) 22 BRAMHALL STREET PORTLAND, ME 04102 01-0442142	HEALTHCARE	ME	N/A						No
SYNERNET INC 110 FREE STREET PORTLAND, ME 04101 01-0539789	ADMINSERV	ME	N/A						No
MAINE PHYSICIAN HOSPITAL ORG 110 FREE STREET PORTLAND, ME 04101 01-0527540	HEALTHCARE	ME	N/A						No
MMC CLINICAL SERVICES SUPPORT CORP 22 BRAMHALL STREET PORTLAND, ME 04102 20-3656876	ADMINSERV	ME	N/A						No
SOUTHERN MAINE HEALTH CARE PO BOX 656 BIDDEFORD, ME 040050626 46-1211705	HEALTHCARE	ME	N/A						No
MAINE MEDICAL PARTNERS (MMP) 22 BRAMHALL STREET PORTLAND, ME 04102 01-0442142	HEALTHCARE	ME	N/A						No
SYNERNET INC 110 FREE STREET PORTLAND, ME 04101 01-0539789	ADMINSERV	ME	N/A						No
MAINE PHYSICIAN HOSPITAL ORG 110 FREE STREET PORTLAND, ME 04101 01-0527540	HEALTHCARE	ME	N/A						No
MMC CLINICAL SERVICES SUPPORT CORP 22 BRAMHALL STREET PORTLAND, ME 04102 20-3656876	ADMINSERV	ME	N/A						No
SOUTHERN MAINE HEALTH CARE PO BOX 656 BIDDEFORD, ME 040050626 46-1211705	HEALTHCARE	ME	N/A						No

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

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
MAINE MEDICAL PARTNERS	J	36,843,211	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	O	102,960,036	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	P	1,071,667	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	Q	29,864,067	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	R	131,866,710	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	S	106,338	FAIR MARKET VALUE
MMC REALTY	S	529,375	FAIR MARKET VALUE
MMC REALTY	K	3,321,826	FAIR MARKET VALUE
MMC REALTY	O	168,491	FAIR MARKET VALUE
MMC REALTY	Q	1,901,851	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	J	36,843,211	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	O	102,960,036	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	P	1,071,667	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	Q	29,864,067	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	R	131,866,710	FAIR MARKET VALUE
MAINE MEDICAL PARTNERS	S	106,338	FAIR MARKET VALUE
MMC REALTY	S	529,375	FAIR MARKET VALUE
MMC REALTY	K	3,321,826	FAIR MARKET VALUE
MMC REALTY	O	168,491	FAIR MARKET VALUE
MMC REALTY	Q	1,901,851	FAIR MARKET VALUE

Maine Medical Center and Subsidiaries

Consolidated Financial Statements as of and for the Years Ended September 30, 2013 and 2012, Supplemental Consolidating Information as of and for the Year Ended September 30, 2013, and Independent Auditors' Report

MAINE MEDICAL CENTER AND SUBSIDIARIES

TABLE OF CONTENTS

Deloitte.

Deloitte & Touche LLP
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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Maine Medical Center
Portland, Maine

We have audited the accompanying consolidated financial statements of Maine Medical Center and its subsidiaries (the "Medical Center") (a controlled subsidiary of MaineHealth, Inc.) which comprise the consolidated balance sheets as of September 30, 2013 and 2012, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Medical Center's preparation and fair presentation of the consolidated 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 Medical Center'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Maine Medical Center and subsidiaries as of September 30, 2013 and 2012, and the results of their consolidated operations, changes in their net assets,

and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, the Medical Center adopted the requirements of accounting guidance related to the presentation of the provision for bad debts in the 2013 and 2012 consolidated statements of operations Our opinion is not modified with respect to this matter

Report on Supplemental Consolidating Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole The supplemental consolidating information on pages 41–44 is presented for the purpose of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual entities, and are not a required part of the consolidated financial statements This information is the responsibility of the Medical Center's management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements Such supplemental consolidating information has been subjected to the auditing procedures applied in our audits of the consolidated financial statements, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, such information is fairly stated in all material respects in relation to the consolidated financial statements as a whole

Deloitte & Touche LLP

February 7, 2014

MAINE MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2013 AND 2012
(In thousands)

ASSETS	2013	2012
CURRENT ASSETS		
Cash and cash equivalents	$ 37,907	$ 21,142
Investments	210,912	204,718
Patient accounts receivable — net	94,948	86,565
Current portion of investments whose use is limited	5,746	5,743
Inventories, prepaid expenses, and other current assets	24,555	19,390
Estimated amounts receivable under reimbursement regulations	24,452	2,898
Current portion of notes and amounts receivable from affiliated entities	7,864	5,149
Total current assets	406,384	345,605
INVESTMENTS WHOSE USE IS LIMITED BY		
Debt agreements	4,051	4,142
Board designation	78,845	76,486
Self-insurance trust agreements	24,823	21,445
Specially designated specific purpose funds	39,339	36,273
Plant replacement funds	18,231	19,276
Funds functioning as endowment funds	111,240	98,013
Pooled life income funds	2,981	2,635
	279,510	258,270
Less current portion	5,746	5,743
	273,764	252,527
PROPERTY, PLANT, AND EQUIPMENT — Net	464,173	465,418
ESTIMATED AMOUNTS RECEIVABLE UNDER REIMBURSEMENT REGULATIONS		50,277
NOTES AND AMOUNTS RECEIVABLE FROM AFFILIATED ENTITIES — Less current portion	5,564	5,568
OTHER ASSETS	70,554	60,401
TOTAL	$1,220,439	$1,179,796

LIABILITIES	2013	2012
CURRENT LIABILITIES		
Current portion of long-term debt	$ 9,184	$ 11,247
Line of credit	15,000	
Accounts payable and other current liabilities	28,844	32,102
Accrued payroll, payroll taxes, and amounts withheld	33,232	26,959
Accrued earned time	24,978	24,466
Accrued interest payable	381	423
Estimated amounts payable under reimbursement regulations	51,860	37,585
Self-insurance reserves	1,695	1,601
Current portion of notes and amounts payable to affiliated entities	8,047	8,522
Total current liabilities	173,221	142,905
ACCRUED RETIREMENT BENEFITS	118,185	232,708
SELF-INSURANCE RESERVES	15,483	16,766
LONG-TERM DEBT — Less current portion	103,687	109,658
NOTES AND AMOUNTS PAYABLE TO AFFILIATED ENTITIES	12,107	
OTHER LIABILITIES	29,684	34,185
Total liabilities	452,367	536,222
CONTINGENCIES (Note 19)		
NET ASSETS		
Unrestricted	658,695	540,462
Temporarily restricted	82,892	78,093
Permanently restricted	26,485	25,019
Total net assets	768,072	643,574
TOTAL	$1,220,439	$1,179,796

See notes to consolidated financial statements

MAINE MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012
(In thousands)

	2013	2012
UNRESTRICTED REVENUES AND OTHER SUPPORT		
Net patient service revenue (net of contractual allowances and discounts)	$ 959,224	$899,103
Provision for bad debts	50,838	40,714
Net patient service revenue — net of provision for bad debts	908,386	858,389
Direct research revenue	11,245	13,493
Indirect research revenue	3,587	4,380
Other revenue	101,641	66,437
Total unrestricted revenues and other support	1,024,859	942,699
EXPENSES		
Salaries	478,043	431,702
Employee benefits	150,022	121,701
Supplies	140,112	137,269
Professional fees and purchased services	131,360	111,287
Facility and other costs	34,731	36,309
State taxes	17,218	14,992
Interest	3,693	3,907
Depreciation and amortization	58,888	54,487
Total expenses	1,014,067	911,654
INCOME FROM OPERATIONS	10,792	31,045
NONOPERATING GAINS		
Gifts and donations — net of related expenses	2,599	2,752
Interest and dividends	7,786	9,965
Recognized gain on cash flow hedge instruments	5,219	988
Equity in earnings of joint ventures	5,006	4,960
Total nonoperating gains — net	20,610	18,665
EXCESS OF REVENUES AND NONOPERATING GAINS — NET OVER EXPENSES BEFORE (DECREASE) INCREASE IN FAIR VALUE OF INVESTMENTS	31,402	49,710
(DECREASE) INCREASE IN FAIR VALUE OF INVESTMENTS	(2,567)	13,983
EXCESS OF REVENUES AND NONOPERATING GAINS — NET OVER EXPENSES	28,835	63,693
NET ASSETS RELEASED FROM RESTRICTIONS FOR PROPERTY, PLANT, AND EQUIPMENT	215	2,029
EQUITY TRANSFER TO AFFILIATES	(3,654)	(3,148)
RETIREMENT BENEFIT PLAN ADJUSTMENTS	91,196	(53,504)
CHANGE IN NET UNREALIZED GAIN (LOSS) ON CASH FLOW HEDGE INSTRUMENTS	1,641	(416)
INCREASE IN UNRESTRICTED NET ASSETS	$ 118,233	$ 8,654

See notes to consolidated financial statements

MAINE MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012
(In thousands)

	2013	2012
UNRESTRICTED NET ASSETS		
Excess of revenues and nonoperating gains — net over expenses	$ 28,835	$ 63,693
Net assets released from restrictions for property, plant, and equipment	215	2,029
Equity transfer to affiliates	(3,654)	(3,148)
Retirement benefit plan adjustments	91,196	(53,504)
Change in net unrealized gain (loss) on cash flow hedge instruments	1,641	(416)
Increase in unrestricted net assets	118,233	8,654
TEMPORARILY RESTRICTED NET ASSETS		
Gifts and donations	1,364	636
Interest and dividends	272	604
Realized and unrealized gains on investments	10,918	11,147
Change in present value of pooled life and charitable remainder trusts	(553)	(257)
Net assets released from restrictions for operations	(6,987)	(8,042)
Net assets released from restrictions for property, plant, and equipment	(215)	(2,029)
Increase in temporarily restricted net assets	4,799	2,059
PERMANENTLY RESTRICTED NET ASSETS — Gifts and donations	1,466	1,459
INCREASE IN NET ASSETS	124,498	12,172
NET ASSETS — Beginning of year	643,574	631,402
NET ASSETS — End of year	$ 768,072	$ 643,574

See notes to consolidated financial statements

MAINE MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2013 AND 2012
(In thousands)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	$ 124,498	$ 12,172
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	58,888	54,487
Provision for bad debts	50,838	40,714
Amortization of bond premium	(52)	8
Equity transfer to affiliates	3,654	3,148
Equity in earnings of joint ventures	(5,006)	(4,960)
Net realized and change in unrealized gains on investments	(8,351)	(25,130)
Net gains on cash flow hedge instruments	(6,860)	(572)
Loss (gain) on sale of property, plant, and equipment	10	(73)
Restricted contributions and investment income	(2,549)	(2,442)
Retirement benefit plan adjustments	(91,196)	53,504
(Decrease) increase in cash resulting from a change in		
Patient accounts receivable	(59,221)	(59,445)
Inventories, prepaid expenses, and other current assets	(5,165)	345
Other assets	(7,895)	(15,620)
Accounts payable and other current liabilities	3,148	11,999
Amounts receivable/payable under reimbursement regulations	42,998	7,641
Self-insurance reserves	(1,189)	1,279
Accrued retirement benefits	(23,327)	(52,213)
Other liabilities	2,359	39,813
Net cash provided by operating activities	75,582	64,655
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(974,043)	(654,426)
Proceeds from the sales of investments	954,960	663,390
Distributions from joint ventures	2,688	4,400
Payments received on notes and amounts receivable/payable to affiliated entities	8,921	8,015
Purchases of property, plant, and equipment	(53,885)	(58,782)
Proceeds from sale of property, plant, and equipment	71	389
Net cash used in investing activities	(61,288)	(37,014)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of long-term debt	(11,424)	(10,874)
Proceeds from issuance of debt	15,000	
Restricted contributions and investment income	2,549	2,442
Equity transfers to affiliates	(3,654)	(3,148)
Net cash provided by (used) in financing activities	2,471	(11,580)
NET INCREASE IN CASH AND CASH EQUIVALENTS	16,765	16,061
CASH AND CASH EQUIVALENTS — Beginning of year	21,142	5,081
CASH AND CASH EQUIVALENTS — End of year	$ 37,907	$ 21,142
SUPPLEMENTAL INFORMATION		
Interest paid on long-term debt	$ 3,735	$ 3,803
Issuance of capital leases	$ 3,441	$ 369

See notes to consolidated financial statements

M

1. REPORTING ENTITY

Organization — Maine Medical Center and subsidiaries consists of Maine Medical Center (MMC) and its wholly owned subsidiaries, which include Maine Medical Partners (MMP) and MMC Realty Corporation (MMCRC) These entities are collectively referred to as the "Medical Center " The consolidated financial statements include the accounts of MMC and its controlled subsidiaries Upon consolidation, intercompany transactions and balances have been eliminated Such controlled affiliates are disclosed in the supplemental consolidating information using the cost method of accounting

MMC is a wholly owned subsidiary of MaineHealth, Inc ("MaineHealth") The purpose of MaineHealth, a tax-exempt corporation, is to lead a community care network that provides a broad range of integrated health care services for populations in Maine and northern New England Through MaineHealth's subsidiaries and affiliated organizations, the network's mission is to provide services along the full continuum of care as necessary to improve the health status of the population it serves in a cost-effective manner

MMC is a 637-bed, not-for-profit, major teaching hospital providing community and tertiary health care services It is affiliated with the Tufts University School of Medicine undergraduate medical education program MMC also supports clinical, translational, and bench research programs, but focuses on translational research due to its more immediate benefit to patients

MMP is a multispecialty physician group, which includes a variety of primary care and specialty disciplines In addition to providing clinical care, the practices develop and promote educational and teaching programs and research activities

MMCRC was formed for the purpose of acquiring, holding, managing, maintaining, developing, and disposing of real property for the benefit of and in support of MMC

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The accompanying consolidated financial statements have been presented in conformity with accounting principles generally accepted in the United States of America (GAAP) consistent with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 954, *Health Care Entities*, and other pronouncements applicable to health care organizations

Use of Estimates — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements Estimates also affect the reported amounts of revenue and expenses during the reporting period Actual results could differ from those estimates Significant estimates are made in the areas of patient accounts receivable, the fair value of financial instruments, amounts receivable and payable under reimbursement regulations, asset retirement obligations (AROs), retirement benefits, and self-insurance reserves

Cash and Cash Equivalents — Cash and cash equivalents include investments in highly liquid debt securities with a maturity at the date of purchase of three months or less, excluding amounts classified as investments whose use is limited

Investments — Investments are stated at fair value The recorded value of investments in hedge funds and limited partnerships is based on fair value as estimated by management using information provided by external investment managers As a practical expedient, the Medical Center measures the fair value of these investments on the basis of the net asset value (NAV) per share (or its equivalent) The Medical Center believes that these valuations are a reasonable estimate of fair value as of September 30, 2013 and 2012, but are subject to uncertainty and, therefore, may differ from the value that would have been used had a market for the investments existed Such differences could be material Certain of the hedge fund and limited partnership investments have restrictions on the withdrawal of the funds Investments are classified as current assets based on the availability of funds for current operations The accounting for the pension plan assets is disclosed in Note 13 Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the excess of revenues and nonoperating gains — net over expenses, unless the income or loss is restricted by donor or law

As provided for under ASC Topic 825, *Financial Instruments*, the Medical Center made the irrevocable election to report investments and investments whose use is limited at fair value with changes in value reported in the excess of revenues and nonoperating gains — net over expenses As a result of this election, the Medical Center reflects changes in the fair value, including both increases and decreases in value whether realized or unrealized, in its excess of revenues and nonoperating gains — net over expenses

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements

Investments Whose Use is Limited — Investments whose use is limited primarily include investments held by trustees under debt agreements, self-insurance trust agreements, and designated investments set aside by the Board of Trustees (the "Board") for purposes over which the Board retains control and may at its discretion subsequently use for other purposes In addition, investments whose use is limited include investments restricted by donors for specific purposes or periods, investments restricted by donors to be held in perpetuity by the Medical Center, and the related appreciation on those investments Amounts required to meet current liabilities of the Medical Center have been classified as current assets

Property, Plant, and Equipment — Property, plant, and equipment are recorded at cost The carrying value is reviewed if facts and circumstances suggest that an impairment may exist Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method Interest costs incurred on borrowed funds during the period of construction of capital assets are capitalized as a component of the cost of acquiring those assets The Medical Center recorded capitalized interest of approximately $130,000 and $160,000 for the years ended September 30, 2013 and 2012, respectively

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

Other Assets — Other assets include investments in joint ventures, goodwill and intangible assets, prepaid capital costs, deferred financing costs, estimated insurance recoveries, noncurrent receivables, and the Medical Center's beneficial interest in a charitable remainder trust

Impairment of Long-Lived Assets — Long-lived assets to be held and used are reviewed for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value, less cost to sell

Asset Retirement Obligations (ARO) — AROs are legal obligations associated with the retirement of long-lived assets These liabilities are initially recorded at fair value and the related asset retirement costs are capitalized by increasing the carrying amount of the related assets by the same amount as the liability Asset retirement costs are subsequently depreciated over the useful lives of the related assets Subsequent to initial recognition, the Medical Center records period-to-period changes in the ARO liability resulting from the passage of time, increases and decreases in interest expense, and revisions to either the timing or the amount of the original expected cash flows to the related assets

Accounting for Defined Benefit Pension and Other Postretirement Plans — The Medical Center recognizes the overfunded or underfunded status of its defined benefit and postretirement plans as an asset or liability in its consolidated balance sheets Changes in the funded status of the plans are reported as a change in unrestricted net assets presented below the excess of revenues and nonoperating gains — net over expenses in the consolidated statements of operations and changes in net assets in the year in which the changes occur

The measurement of benefit obligations and net periodic benefit cost is provided by third-party actuaries based on estimates and assumptions approved by the Medical Center's management These valuations reflect the terms of the plans and use participant-specific information, such as compensation, age, and years of service, as well as certain assumptions, including estimates of discount rates, expected long-term rate of return on plan assets, rate of compensation increases, interest crediting rates, and mortality rates

Temporarily and Permanently Restricted Net Assets — Temporarily restricted net assets are those whose use by the Medical Center has been limited by donors or law to a specific time period or purpose Permanently restricted net assets reflect the original value of gifts that have been restricted by donors to be maintained by the Medical Center in perpetuity

Excess of Revenue and Nonoperating Gains — Net over Expenses — The consolidated statements of operations include excess of revenue and nonoperating gains — net over expenses as the performance indicator Changes in unrestricted net assets, which are excluded from excess of revenues and nonoperating gains — net over expenses, consistent with industry practice, include the effective portion of changes in the fair value of cash flow hedge instruments, permanent transfers of assets to and from affiliates for other than goods and services, retirement benefit plan adjustments, and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets)

Consolidated Statements of Operations — For purpose of display, transactions deemed by management to be ongoing, major, or central to the provision of health care and related services are reported as operating revenues and expenses Peripheral or incidental transactions are reported as nonoperating gains and losses

Net Patient Service Revenue — Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and includes estimated retroactive revenue adjustments due to 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 Contracts, laws, and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term

Free Care — The Medical Center provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its Board-established free care policy Because the Medical Center does not pursue collection of amounts determined to qualify as free care, they are not reported as net patient service revenue

Bad Debts — The Medical Center recognizes a provision for bad debts in establishing an allowance for services provided which may ultimately be uncollectible The amount of the allowance for bad debts is based on historical trends and current market conditions

Direct and Indirect Research Revenue and Related Expenses — Revenue related to research grants and contracts is recognized as the related costs are incurred Indirect costs relating to certain government grants and contracts are reimbursed at fixed rates negotiated with the government agencies Research grants and contracts are accounted for as exchange transactions Amounts received in advance of incurring the related expenditures are recorded as unexpended research grants and are included in accrued expenses

Other Revenue — Revenue, which is not related to patient medical care but is central to the day-to-day operations of the Medical Center, is included in other revenue This revenue includes cafeteria sales, medical school revenue, administrative shared services revenue, grant revenue, meaningful use incentive payments, rental revenue, net assets released from restrictions for operations, and other support services revenue

Meaningful Use — The Medical Center is in the process of fully implementing Electronic Health Record Technology (EHR) The Medical Center qualified and applied for meaningful use incentive payments from Medicare and Medicaid related to the implementation of EHR as provided for under the Health Information Technology for Economic and Clinical Health Act As a result, the Medical Center recognized $8,449,000 and $4,265,000 of other revenue associated with these payments for years ended September 30, 2013 and 2012, respectively

Gifts and Donations — Unconditional promises to give cash and other assets to the Medical Center are reported at fair value at the date the promise is received Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows The discounts on those amounts are computed using a risk-free rate applicable to the year in which the promise is received Amortization of the discount is included in contribution revenue Conditional promises to give are recognized when the conditions are substantially met The gifts are reported as either temporarily or permanently restricted net assets if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations as net assets released from restrictions which is included in other revenue Donor-restricted contributions whose restrictions are met within the same year received are reported as unrestricted contributions in the accompanying consolidated financial statements

Self-Insurance Reserves — The liabilities for outstanding losses and loss-related expenses and the related provision for losses and loss-related expenses include estimates for losses incurred, but not reported as well as losses pending settlement Such liabilities are necessarily based on estimates and, while management believes the amounts provided are adequate, the ultimate liability may be greater than or less

than the amounts provided As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term The methods for making such estimates and the resulting liability are actuarially reviewed on an annual basis, and any necessary adjustments are reflected in current operations

Income Tax Status — The Internal Revenue Service has previously determined that MMC and its subsidiaries (except MMP) are organizations as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the IRC MMP had significant net operating loss carryovers at September 30, 2013 and 2012 A valuation allowance has been provided for the entire deferred tax benefit for the net operating losses, due to uncertainty of realization MMP did not have taxable income in 2013 or 2012 Accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements

Recently Issued Accounting Pronouncements —In July 2011, the FASB issued Accounting Standards Update (ASU) 2011-07, *Health Care Entities (Topic 954), Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* ASU 2011-07 requires the Medical Center to change the presentation of its consolidated statements of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts) Additionally, the ASU requires the Medical Center to provide enhanced disclosures about its sources of patient service revenue, policies for recognizing revenue and assessing bad debts, as well as qualitative and quantitative information about changes in the allowance for bad debts The provisions of ASU 2011-07 were adopted by the Medical Center on October 1, 2012, and were applied retrospectively The adoption of this ASU decreased net patient service revenue, total unrestricted revenues, and other support and expenses by $40 7 million for the year ended September 30, 2012 There was no impact on excess of revenue and nonoperating gains — net over expenses or increase in unrestricted net assets for the year ended September 30, 2012 The Medical Center has included the enhanced disclosures in Note 4 to the consolidated financial statements

In May 2011, the FASB issued ASU 2011-04, *Fair Value Measurement (Topic 820), Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in GAAP and International Financial Reporting Standards* ("ASU 2011-04") The purpose of this ASU is to improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with GAAP and International Financial Reporting Standards In addition, some of the amendments could change how the fair value measurements guidance in ASC 820 is applied The amendments in this ASU are to be applied prospectively The provisions of ASU 2011-04 were adopted by the Medical Center on October 1, 2012 The adoption of ASU 2011-04 had no impact on the consolidated financial statements Disclosures required under ASU 2011-04 are included in Note 7 to the consolidated financial statements

Subsequent Events — The Medical Center has evaluated subsequent events through February 7, 2014, which is the date the consolidated financial statements were issued

3. COMMUNITY BENEFIT PROGRAMS

As a nonprofit institution dedicated to community service, the Medical Center provides many health-related services that benefit the community These services include coordinating access to care, free care programs, teaching programs, and research activities Examples of these programs include CarePartners, a health care program for those who cannot afford to buy insurance but are above the guidelines for government programs, the Ah! Asthma Health program, which improves the care of children with asthma, Raising Readers, a MaineHealth initiative, which aims to provide all Maine children

between ages zero and five years with books, and Vocational Services programs that leverage approximately $285,000 in federal funds in 2013 to integrate people with physical and psychological disabilities into the community The Medical Center also operates an International Clinic for Portland's growing immigrant and refugee population, the AIDS Consultation Service, and the Northern New England Poison Center

The Medical Center provides free care to anyone whose income falls below 175% of the federal poverty level and also has a sliding scale beyond that to assist patients whose income is up to 225% of the federal poverty level

The Medical Center has an active teaching program that teaches medical students, resident physicians, practicing physicians, nursing students, allied health professions students, and the public These programs are a significant source of health care manpower for the State of Maine as well as providing a higher level of patient care The Medical Center has entered into a partnership with the Tufts University School of Medicine to train medical students focusing on Maine residents and providing them with a rural, integrated experience in order to encourage them ultimately to practice in Maine The Medical Center provides a free Certified Nursing Assistant (CNA) program that produces much needed CNAs for health care providers throughout the State of Maine including the Medical Center Maine Medical Center sponsors a number of programs from childbirth education to heart health to smoking cessation in order to improve overall community health

The research programs of Maine Medical Center Research Institute (MMCRI), which operates within MMC, are focused around three specialties cardiovascular disease, cancer, and bone and mineral disease Core strengths are molecular biology and genetics, outcomes and health services, cytometry, and clinical research Research at MMCRI has a strong connection to clinical problems through a translational approach MMCRI's goal is to apply the latest scientific advances to the problems that patients and physicians face in Maine The state-of-the-art equipment and facilities at MMCRI enable highly technical research and provide services for other academic and research centers throughout Maine In cooperation with the University of Maine and The Jackson Laboratory, graduate degree programs have been established to provide rigorous basic research training to students in Maine MMCRI also provides a summer student internship to a number of pre-college and college students who are interested in an opportunity to explore biomedical research as a possible career All of these programs are done in an effort to enhance advanced educational activities in Maine

Most of the support for MMCRI is derived from sources outside the State of Maine This positive flow of funds into Maine is expended on salaries and services that directly support the local economy MMCRI produces biomedical technology that is used to develop new companies, and its scientists serve as magnets to attract other biomedical technology companies, thereby encouraging additional local economic development

4. NET PATIENT SERVICE REVENUE

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

Medicare and MaineCare — Inpatient acute care services rendered to each program's beneficiaries are paid at prospectively determined rates per discharge These rates vary according to a patient classification system that is based on clinical diagnosis and other factors Outpatient services are paid based on a prospective rate per ambulatory visit/procedure The Medical Center is reimbursed for cost-reimbursable items at an interim rate with final settlement determined after submission of annual cost reports by the Medical Center and audits thereof by the Medicare Administrative Contractor and the State of Maine

In 2004, the State of Maine, facing significant budget deficits, passed legislation establishing several health care provider taxes ("State taxes") The enactment of the State taxes allowed the State of Maine to add revenues to the State of Maine General Fund, while minimizing the potential of lost federal matching funds in the MaineCare program The hospital-specific portion of the State taxes for 2013 is based on a percentage of MMC's net patient service revenue in 2008 for the period from October 1, 2012, to June 30, 2013, and is based on a percentage of MMC's net patient service revenue in 2012 for the period from July 1, 2013, to September 30, 2013 The 2012 amount is based on a percentage of MMC's net patient service revenue in 2008 On July 1, 2012, the State of Maine passed a special onetime tax assessment of 0 39% on MMC's net patient service revenue For the years ended September 30, 2013 and 2012, the Medical Center recorded State taxes, inclusive of the special assessment, of approximately $17,218,000 and $14,992,000, respectively Concurrent with the implementation of the State taxes, the State of Maine increased the MaineCare reimbursement rates Management estimates that the changes in the MaineCare reimbursement rates yielded payments to the Medical Center for the years ended September 30, 2013 and 2012, of approximately $13,322,000 and $11,149,000, respectively The net impact of the State taxes and the change in reimbursement rates were a decrease in income from operations of $3,896,000 and $3,843,000 for the years ended September 30, 2013 and 2012, respectively

The consolidated balance sheets at September 30, 2013 and 2012, include amounts due (to) from the State of Maine under the MaineCare program of ($19,500,000) and $65,644,000, respectively The State of Maine paid $81,200,000 to the Medical Center in September 2013 as an interim settlement

Nongovernmental Payors — The Medical Center has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations The basis for payment to the Medical Center under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates

Uninsured Patients — For uninsured patients that do not qualify for free care, the Medical Center recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy) Based on historical experience, a significant portion of uninsured patients will be unable or unwilling to pay for the services provided

Allowance for Bad Debts — Accounts receivable are reduced by an allowance for bad debts In evaluating the collectability of accounts receivable, the Medical Center analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for bad debts and provision for bad debts Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for bad debts For receivables associated with services provided to patients who have third-party coverage, the Medical Center analyzes contractually due amounts and provides an allowance for bad debts and a provision for bad debts, if necessary For

receivables associated with self-pay patients, the Medical Center records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible The difference between the standard rates and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for bad debts

The Medical Center establishes an allowance for bad debts and free care based on the amount and age of self-pay and commercial accounts As of September 30, 2013, the allowance for bad debts and free care was $53,706,000 which compares to $48,917,000 as of September 30, 2012 The increase in the allowance results from a negative trend experienced in collections of amounts due from patients or patients eligible for free care The Medical Center has not changed its free care or uninsured discount policies during fiscal years 2013 or 2012 The Medical Center does not maintain a material allowance for bad debts from third-party payors nor did it have significant write offs from third-party payors

Net patient service revenue (after contractual allowances and discounts), recognized during the year ended September 30, 2013, from these major payor sources, is as follows (in thousands)

Medicare	$ 314,509
MaineCare	90,133
Anthem Blue Cross and Blue Shield	203,126
Other third-party payors	303,626
Patients	47,830
Net patient service revenue (after contractual allowances and discounts)	959,224
Provision for bad debts	50,838
Total	$ 908,386

Net patient service revenue for the years ended September 30, 2013 and 2012, consists of the following (in thousands)

	2013	2012
Gross charges		
Inpatient services	$ 275,871	$ 276,430
Inpatient ancillary services	685,045	656,492
Outpatient services	789,245	684,926
	1,750,161	1,617,848
Deductions from gross charges		
Contractual adjustments	741,404	673,637
Free care	49,533	45,108
	790,937	718,745
Net patient service revenue (net of contractual allowance and discounts)	959,224	899,103
Provision for bad debts	50,838	40,714
Total net patient service revenue — net of provision for bad debts	$ 908,386	$ 858,389

The Medical Center provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its Board-established free care policy Because the Medical Center does not pursue collection of amounts determined to qualify as free care, they are not reported as net patient service revenue The Medical Center estimates the costs associated with providing charity care by calculating a ratio of total cost to total gross charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for free care The estimated cost of caring for charity care patients for the years ended September 30, 2013 and 2012, was $22,608,000 and $19,530,000, respectively Funds received from gifts and grants to subsidize charity services provided for the years ended September 30, 2013 and 2012, were $265,000 and $245,000, respectively

Net patient service revenue in 2013 and 2012 included approximately $23,000,000, and $13,000,000, respectively, primarily as a result of favorable settlements with third-party payors regarding prior years

5. PATIENT ACCOUNTS RECEIVABLE

Patient accounts receivable consist of the following at September 30, 2013 and 2012 (in thousands)

	2013	2012
Patient accounts receivable	$318,676	$280,681
Less		
Allowances for contractual adjustments and advance payments from third-party reimbursing agencies	170,022	145,199
Allowances for bad debts	45,177	41,125
Allowances for free care	8,529	7,792
Patient accounts receivable — net	$ 94,948	$ 86,565

6. INVESTMENTS AND INVESTMENTS WHOSE USE IS LIMITED

The composition of investments and investments whose use is limited at September 30, 2013 and 2012, is set forth as follows (in thousands)

	2013	2012
Investments (current assets)	$210,912	$204,718
Investments whose use is limited	279,510	258,270
Total	$490,422	$462,988
Temporary cash investments	$ 9,836	$ 9,661
Bonds and notes	199,440	198,507
Marketable equity securities	32,227	43,597
Mutual funds	172,691	162,672
Hedge funds, limited partnerships, and other	76,228	48,551
Total	$490,422	$462,988

Investments whose use is limited include amounts required by debt agreements and amounts restricted by donors The Board also segregates certain unrestricted net assets as Board designated in order to make provision for future capital improvements, to fund self-insured professional and general liability and workers' compensation risks, and to provide for other specific purposes Investments whose use is limited also includes pooled endowment investments held for affiliated entities in the amount of $12,107,000 at September 30, 2013

Investments whose use is limited by debt agreements include debt service funds, which are comprised of semiannual deposits to fund principal and interest payments These investments are held pursuant to the requirements of the outstanding Revenue Bonds and Revenue Refunding Bonds

The current portion of investments whose use is limited at September 30, 2013 and 2012, is comprised of the following (in thousands)

	2013	2012
Trusteed under debt agreements	$4,051	$4,142
Self-insurance trusts	1,695	1,601
Total	$5,746	$5,743

Investment income and net gains and losses on investments and investments whose use is limited, cash equivalents, and other investments for the years ended September 30, 2013 and 2012, consist of the following (in thousands)

	2013	2012
Unrestricted net assets		
Interest and dividends	$ 7,786	$ 9,965
(Decrease) increase in fair value of investments	(2,567)	13,983
	5,219	23,948
Temporarily restricted net assets		
Interest and dividends	272	604
Realized and unrealized gains	10,918	11,147
	11,190	11,751
Total	$16,409	$35,699

7. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair Value Measurements — The Medical Center classifies its investments into Level 1, which refers to securities valued using quoted prices from active markets for identical assets, Level 2, which refers to securities not traded on an active market, but for which observable market inputs are readily available, and Level 3, which refers to securities valued based on significant unobservable inputs Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement

Asset Valuation Techniques — Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs The following is a description of the valuation methodologies used for assets measured at fair value There have been no changes in the methodologies used at September 30, 2013 and 2012

The carrying value of temporary cash investments approximates fair value as maturities are less than three months and/or include money market funds that are based on quoted prices and are actively traded

Certain corporate bonds are valued at the closing price reported in the active market in which the bond is traded Other corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flow approach that maximizes observable inputs, such as current

yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks

Foreign currencies held are translated into U S dollars at the prevailing rate of exchange at each period end

The fair value of marketable equity securities are principally based on quoted market prices

The fair value of common collective trusts are based on the NAV of the fund, representing the fair value of the underlying investments, which are generally securities traded on an active market The NAV as provided by the trustee, is used as a practical expedient to estimate fair value Such investments are classified as Level 2 when the Medical Center has the ability to redeem its investment in the fund at the NAV (or its equivalent) at the measurement date or within the near term and there are no other potential liquidity restrictions Common collective trusts categorized as Level 3 are subject to a minimum holding period and a redemption period in excess of 90 days

Exchange-traded funds and closed-end funds are valued at the last sale price or official closing price on the exchange or system on which they are principally traded Investments in mutual funds are valued at their NAV at year-end These funds are required to publish their daily NAV and to transact at that price The mutual funds held are deemed to be actively traded

The estimated fair values of limited partnerships and hedge funds, for which quoted market prices are not readily available, are determined based upon information provided by the fund managers Such information is generally based on NAV of the fund, which is used as a practical expedient to estimate fair value The Medical Center has classified certain of its investments reported at NAV as Level 2 because the Medical Center has the ability to redeem its investment in the fund at the NAV per share (or its equivalent) at the measurement date or within the near term and there are no other potential liquidity restrictions Funds categorized within Level 3 are subject to a minimum holding period or lockup, cannot be redeemed at the measurement date or within 90 days thereof, are subject to redemption notice periods in excess of 90 days, or have the ability to limit the aggregate amount of shareholder redemptions The limited partnerships and hedge funds invest primarily in readily marketable securities The limited partnerships and hedge funds allocate gains, losses, and expenses to the partners based on the ownership percentage as described in the respective partnership or hedge fund agreements

Interest Rate Swaps — The Medical Center uses inputs other than quoted prices that are observable to value the interest rate swaps The Medical Center considers these inputs to be Level 2 inputs in the context of the fair value hierarchy The fair value of the net interest rate swap liability was $8,158,000 and $15,017,000 at September 30, 2013 and 2012, respectively These values represent the estimated amounts the Medical Center would receive or pay to terminate agreements, taking into consideration current interest rates and the current creditworthiness of the counterparty

Pledges Receivable — The current yields for 1 to 10-year U S Treasury notes are used to discount contributions receivable The Medical Center considers these yields to be a Level 2 input in the context of the fair value hierarchy Pledges received were discounted at rates ranging from 0 17% to 4% both in fiscal year 2013 and 2012 Pledges received in 2013, which have been recorded at fair value, totaled approximately $2,883,000 ($2,693,000 in 2012)

The following methods and assumptions were used by the Medical Center in estimating the fair value of the Medical Center's financial instruments that are not measured at fair value on a recurring bases for disclosures in the consolidated financial statements

Receivables and Payables — The carrying value of the Medical Center's receivables and payables approximately fair value, as maturities are very short term

Long-Term Debt — The fair value of the bonds and notes payable is estimated based on discounted cash flow with interest at current rates based on similar issues The fair market value of the Medical Center's long-term debt payable at September 30, 2013 and 2012, approximates the recorded value

The Medical Center's investments at fair value set forth by level, within the fair value hierarchy, at September 30, 2013 and 2012, are as follows

	September 30, 2013			
	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Temporary cash investments	$ 9,415	$ 421	$ -	$ 9,836
Bonds and notes				
U S government and agency	100,749	15,886		116,635
Corporate		80,978		80,978
Municipal government — United States		266		266
Foreign government		1,561		1,561
Total bonds and notes	100,749	98,691	-	199,440
Marketable equity securities				
Consumer discretionary	7,302			7,302
Energy	3,449			3,449
Financial services	4,125			4,125
Health care	3,425			3,425
Industrials	4,753			4,753
Information technology	7,418			7,418
Materials	1,261			1,261
Telecommunications	224			224
Utilities	229			229
Real estate	12			12
Consumer defense	29			29
Total marketable equity securities	32,227	-	-	32,227
Mutual funds				
Equity funds	123,153			123,153
Fixed-income funds	4,356			4,356
International equity funds	32,380			32,380
Closed-end international equity funds	12,802			12,802
Total mutual funds	172,691	-	-	172,691
Other funds				
Exchange-traded funds	27,287			27,287
Hedge funds		36,744		36,744
Common collective trust		4,826		4,826
Limited partnerships			7,371	7,371
Total other funds	27,287	41,570	7,371	76,228
Total	$ 342,369	$ 140,682	$ 7,371	$ 490,422

	September 30, 2012			
	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Temporary cash investments	$ 9,561	$ 100	$ -	$ 9,661
Bonds and notes				
U S government and agency	61,602	20,832		82,434
Corporate		114,853		114,853
Municipal government — United States		350		350
Foreign government		870		870
Total bonds and notes	61,602	136,905	-	198,507
Marketable equity securities				
Consumer discretionary	10,570			10,570
Energy	4,095			4,095
Financial services	5,111			5,111
Health care	5,170			5,170
Industrials	4,625			4,625
Information technology	8,811			8,811
Materials	3,291			3,291
Telecommunications	1,383			1,383
Utilities	541			541
Total marketable equity securities	43,597	-	-	43,597
Mutual funds				
Equity funds	67,003			67,003
Fixed-income funds	65,065			65,065
International equity funds	20,761			20,761
Closed-end international equity funds	9,843			9,843
Total mutual funds	162,672	-	-	162,672
Other funds				
Common/collective trusts		123		123
Exchange-traded funds	10,221			10,221
Hedge funds		31,635		31,635
Limited partnerships			6,572	6,572
Total other funds	10,221	31,758	6,572	48,551
Total	$287,653	$168,763	$6,572	$462,988

The Medical Center's defined benefit pension plan investments (see Note 13) at fair value set forth by level, within the fair value hierarchy, at September 30, 2013 and 2012, are as follows

	September 30, 2013			
	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Temporary cash investments	$ -	$ 3,786	$ -	$ 3,786
Bonds and notes				
Federal agency bonds	6,499	13,346		19,845
Corporate bonds		26,372		26,372
Total bonds and notes	6,499	39,718	-	46,217
Marketable equity securities				
Consumer discretionary	10,077			10,077
Energy	4,782			4,782
Financial services	5,693			5,693
Health care	4,536			4,536
Industrials	6,752			6,752
Information technology	10,634			10,634
Materials	2,118			2,118
Telecommunications	49			49
Utilities	188			188
Total marketable equity securities	44,829	-	-	44,829
Mutual funds				
Fixed-income funds	39,811			39,811
International equity funds	67,071			67,071
Closed-end international equity funds	38,146			38,146
U S asset allocation funds	13,789			13,789
Total mutual funds	158,817	-	-	158,817
Other funds				
Common/collective trusts		46,001	21,852	67,853
Exchange-traded funds	77,170			77,170
Hedge funds		87,141		87,141
Limited partnerships	-	6,970	-	6,970
Total other funds	77,170	140,112	21,852	239,134
Total	$ 287,315	$ 156,576	$ 21,852	$ 465,743

	September 30, 2012			
	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Temporary cash investments	$ 814	$ 4,341	$ -	$ 5,155
Bonds and notes				
Federal agency bonds	6,396	11,722		18,118
Corporate bonds		25,094		25,094
Total bonds and notes	6,396	36,816	-	43,212
Marketable equity securities				
Consumer discretionary	19,378			19,378
Energy	7,206			7,206
Financial services	8,776			8,776
Health care	9,063			9,063
Industrials	7,525			7,525
Information technology	15,196			15,196
Materials	6,331			6,331
Telecommunications	3,440			3,440
Utilities	982			982
Total marketable equity securities	77,897	-	-	77,897
Mutual funds				
Fixed-income funds	69,987			69,987
International equity funds	50,558			50,558
Closed-end international equity funds	35,533			35,533
Total mutual funds	156,078	-	-	156,078
Other funds				
Common collective trusts		8,022	21,010	29,032
Exchange-traded funds	30,230			30,230
Hedge funds		78,159		78,159
Limited partnerships		6,159		6,159
Total other funds	30,230	92,340	21,010	143,580
Total	$271,415	$133,497	$21,010	$425,922

Transfers between Levels — The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

On October 1, 2011, $5.6 million of the Medical Center's limited partnership investments was transferred into Level 3 from Level 2 due to a change in the redemption notice period pertaining to such investments. On October 1, 2011, $7.6 million of the Medical Center's defined benefit plan investments were transferred out of Level 3 and into Level 2 due to a change in the redemption restrictions pertaining to such investments. There were no other transfers between levels of the Medical Center's or the Plan's investments for the years ended September 30, 2013 and 2012.

Changes to Fair Value of Level 3 Assets and Related Gains and Losses — A reconciliation of the beginning and ending balances of the fair value measurements using significant unobservable inputs (Level 3) for the years ended September 30, 2013 and 2012, is as follows

	2013	2012
Balance — beginning of year	$6,572	$ -
Transfer from Level 2		5,608
Transfer of pooled investments held for affiliated entities	602	
Unrealized gains	197	964
Balance — end of year	$7,371	$6,572
The amount of total gains included in changes in net assets attributable to the change in unrealized gains relating to assets still held at the reporting date	$ 197	$ 964

A reconciliation of the beginning and ending balances of the fair value measurements using significant unobservable inputs (Level 3) of the Medical Center's defined benefit pension plan, for the years ended September 30, 2013 and 2012 is as follows

	2013	2012
Balance — beginning of year	$ 21,010	$ 24,773
Transfers to Level 2		(7,604)
Unrealized gains	842	3,841
Balance — end of year	$ 21,852	$ 21,010
The amount of total gains included in changes in net assets attributable to the change in unrealized gains relating to assets still held at the reporting date	$ 842	$ 3,534

The valuation methods as described in Note 7 may produce a fair value calculation that may not be indicative of what the management would realize upon disposition or reflective of future fair values Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date

Net Asset Value — The following tables set forth a summary of the Medical Center's investments valued using a reported NAV at September 30, 2013 and 2012, including investments held in the Medical Center's defined benefit pension plan (in thousands)

	Fair Value Estimated Using NAV per Share September 30, 2013				
Investment	Pension	Endowment and Operating	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Collective Trust (g)	$ 18,961	$ -	Monthly	None	5 days
Weatherlow Offshore Fund, Ltd (a)	20,271	11,114	Quarterly	None	45 days
The Emerging Markets Fund of the Genesis Group Trust for Employee Benefit Plans (b)	21,852		Monthly	Up to 60-day settlement period	60–120 days
Genesis Emerging Markets, L P (c)		7,371	Quarterly	Up to 15-day settlement period	60–120 days
Wellington Trust Company (d)	47,521	14,295	Monthly	None	10 days
Nyes Ledge Capital Offshore Fund, Ltd (f)	10,795	11,335	December 31	None	90 days
Colchester Global Bond Fund (i)	27,040	4,826	Monthly	Up to 10-day settlement period	10 days
Adamas Opportunities, L P (e)	6,970		December 31	None	92 days
Avenue Strategic Partners, Ltd (h)	8,554		Quarterly	None	60 days
Total (j)	$161,964	$48,941			

	Fair Value Estimated Using NAV per Share September 30, 2012				
Investment	Pension	Endowment and Operating	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Collective Trust (g)	$ 8,022	$ -	Monthly	None	5 days
Weatherlow Offshore Fund Ltd (a)	18,223	9,240	Quarterly	None	45 days
The Emerging Markets Fund of the Genesis Group Trust for Employee Benefit Plans (b)	21,010		Monthly	Up to 60-day settlement period	60–120 days
Genesis Emergin Markets, L P (c)		6,572	Quarterly	Up to 15-day settlement period	60–120 days
Wellington Trust Company (d)	42,872	13,058	Monthly	None	10 days
Nyes Ledge Capital Offshore Fund, Ltd (f)	9,460	9,337	December 31	None	90 days
Adamas Opportunities, L P (e)	6,159		December 31	None	92 days
Avenue Strategic Partners, Ltd (h)	7,604		Quarterly	None	60 days
Total (j)	$113,350	$38,207			

(a) The Pension Plan invests in the Weatherlow Offshore Fund II L P , and the endowment and operating funds invest in the Weatherlow Offshore Fund I L P The Weatherlow Offshore Fund I L P invests predominately in limited partnerships and similar investment vehicles Under a master-feeder structure, the Weatherlow Offshore Fund II L P seeks to achieve its objective by investing all or substantially all of its assets in the Weatherlow Fund I L P

(b) The Emerging Markets Fund of the Genesis Group Trust for Employee Benefit Plans is a tax-exempt pooled trust designed to permit qualified employee benefit plans and certain government plans to commingle a portion of their investment The objective of the fund is to achieve growth over the medium to long term, primarily through investment in equity securities of companies quoted on emerging markets

(c) The Genesis Emerging Markets, Limited Partnership Endowment objective is to achieve capital appreciation over the medium to long term through investments in securities emerging markets The objective of the fund is to provide participants with a broadly diversified means of investing in developing countries and immature stock markets, and thus to provide access to superior returns offered by high rates of economic and corporate growth, while limiting individual country risk

(d) The fund's objective is long-term total return in excess of a customized blended benchmark over a full business cycle The index is defined as 40% MSCI Energy $3billion and above/15% MSCI Metals and Mining $3 billion and above/25% Equal Sector Weighted S&P GSCI/and 20% Barclays Capital TIPS one to 10 years index

(e) The purpose of the partnership is to seek capital appreciation and income by investing its assets in investment pools, investment partnerships, and similar entities, which in turn, invest in publicly traded equity and debt securities of U S and foreign issuers and may also invest in some illiquid investments including, but not limited to, real estate and derivatives

(f) The fund's investment objective is to provide investors with attractive, absolute, and relative returns that exhibit moderate volatility and a low correlation to overall stock and bond markets The fund attempts to achieve this objective by investing primarily with a diversified group of hedge fund managers that Nyes Ledge Capital Management, LLC believes to be the best available, while carefully diversifying across varying styles and strategies

(g) The fund seeks to provide a reasonable rate of return by investing in securities that are either issued or guaranteed by the U S Treasury and/or U S government agencies

(h) The fund seeks to achieve attractive risk-adjusted returns, primarily by focusing on the distressed debt and undervalued securities of U S companies In addition, the fund may invest in real estate debt or equity

(i) The investment objective of the fund is to achieve favorable income-oriented returns from a globally diversified portfolio of primarily debt and debt-like securities, and the preservation and enhancement of principal

(j) There are no unfunded commitments for additional investments

8. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment at September 30, 2013 and 2012, consist of the following (in thousands)

	2013	2012
Land	$ 21,852	$ 21,852
Land improvements	6,238	6,234
Buildings	562,675	545,661
Equipment	368,226	323,853
Construction in progress	36,389	40,896
	995,380	938,496
Less accumulated depreciation	531,207	473,078
Total	$464,173	$465,418

Depreciation expense for the years ended September 30, 2013 and 2012, was approximately $58,828,000 and $54,426,000, respectively The value of property, plant, and equipment acquisitions in accounts payable at September 30, 2013 and 2012, was approximately $337,000 and $1,554,000, respectively Total equipment under capital leases included in the table above is approximately $3,417,000 and

$1,623,000 as of September 30, 2013 and 2012, respectively. Accumulated amortization relating to the equipment under capital leases was approximately $1,296,000 and $1,103,000 at September 30, 2013 and 2012, respectively, and is included in accumulated depreciation. The Medical Center entered into capital leases for equipment of approximately $3,441,000 and $369,000 in 2013 and 2012, respectively.

9. OTHER ASSETS

Other assets at September 30, 2013 and 2012, consist of the following (in thousands):

	2013	2012
Prepaid capital costs (Note 17)	$41,108	$33,847
Grants, notes, and pledges receivable	6,554	6,374
Investments in joint ventures	9,429	5,678
Goodwill and intangible assets	1,694	1,694
Estimated insurance recoveries	917	970
Other	10,852	11,838
Total	$70,554	$60,401

The Medical Center's investments in joint ventures are approximately $9,429,000 and $5,678,000 at September 30, 2013 and 2012, respectively. The Maine Heart Center and the MMC Physician Hospital Organization, Inc., ventures are physician and hospital collaborations, which manage risk and provide incentives to deliver high-quality, cost-effective patient care. New England Rehabilitation Hospital of Portland is an acute care rehabilitation facility. Maine Molecular Imaging, LLC provides mobile PET/CT imaging services. The MaineGeneral Cardiac Cath Lab, LLC provides cardiac catheterization services to the population of central Maine. The Medical Center's investments in these joint ventures are accounted for using the equity method of accounting as its ownership in each joint venture is greater than 20% and less than or equal to 50%.

The Medical Center's investments in joint ventures as of September 30, 2013 and 2012, consist of the following (in thousands):

	2013				
Name of Joint Venture	Ownership Percentage	Total Assets	Long-Term Debt	Share of Net Assets	Share of Earnings
New England Rehabilitation Hospital of Portland	50%	$ 22,789	$ 8,731	$ 5,452	$ 4,297
MaineHealth Accountable Care Organization	65%	2,633		1,718	
Maine General Cath Lab	50%	503		205	31
GSM and CCCYC	33%	6,923	3,887	141	
Maine Heart Center	50%	17,790		550	19
Maine Molecular Imaging, LLC	24%	1,041		403	224
MMC Physician Hospital Organization	50%	4,530		960	435
		$ 56,209	$ 12,618	$ 9,429	$ 5,006

Name of Joint Venture	2012 Ownership Percentage	Total Assets	Long-Term Debt	Share of Net Assets	Share of Earnings
New England Rehabilitation Hospital of Portland	50%	$ 20,440	$ 9,432	$ 3,843	$ 4,462
Maine General Cath Lab	50%	434		174	55
GSM and CCCYC	33%	6,109	4,155	141	
Maine Heart Center	50%	15,202	1	531	42
Maine Molecular Imaging, LLC	24%	1,328		464	193
MMC Physician Hospital Organization	50%	3,602		525	208
		$ 47,115	$ 13,588	$ 5,678	$ 4,960

10. LONG-TERM DEBT AND REVOLVING LINES OF CREDIT

Long-term debt as of September 30, 2013 and 2012, consists of the following (in thousands)

	2013	2012
Maine Health and Higher Educational Facilities Authority		
Revenue refunding bonds — Series 2011A Serial Bonds, payable in various installments of principal and interest through 2030, interest rates ranging from 3% to 5%	$ 14,498	$ 15,128
Revenue refunding bonds — Series 2011B Serial Bonds, payable in various installments of principal and interest through 2015, interest rates ranging from 1 80% to 2 30%	815	1,660
Revenue bonds — Series 2008A Revenue Bonds, payable in various installments of principal through 2036, variable rate demand obligations, the average interest rate in effect for the years ended September 30, 2013 and 2012, was 0 13% and 0 18%, respectively The interest rate at September 30, 2013 and 2012, was 0 08% and 0 20%, respectively Interest is set weekly by the remarketing agent and may be changed to a different period or converted to a fixed rate	84,530	87,490
Revenue bonds — Series 2008B Revenue Bonds, payable in various installments of principal through 2014, variable rate demand obligations, the average interest rate in effect for the years ended 2013 and 2012 was 0 12% and 0 16%, respectively The interest rate at September 30, 2013 and 2012, was 0 08% and 0 18%, respectively Interest is set weekly by the remarketing agent and may be changed to a different period or converted to a fixed rate	2,127	6,701
Add unamortized original issue premium	584	636
Promissory note payable to a bank, interest at 5 99% with a maturity date of October 1, 2027	2,448	2,565
Promissory note payable to a bank, interest at LIBOR, plus 1% (1 18% and 1 22% at September 30, 2013 and 2012, respectively) with a maturity date of November 15, 2015	734	1,041
Promissory note payable to a bank, interest at LIBOR, plus 0 75% (0 93% and 0 97% at September 30, 2013 and 2012, respectively) with a maturity date of March 1, 2020	500	577

(Continued)

	2013	2012
Promissory note payable to a bank, interest at LIBOR, plus 1% (1 18% and 1 22% at September 30, 2013 and 2012, respectively) with a maturity date of March 1, 2020	$ 929	$ 1,070
Promissory note payable to a bank, interest at LIBOR, plus 0 75% (0 93% and 0 97% at September 30, 2013 and 2012) with a maturity date of March 1, 2017	1,658	2,132
Other — including capital lease obligations	4,048	1,905
	112,871	120,905
Less current portion of long-term debt	9,184	11,247
Total	$ 103,687	$ 109,658

Annual principal maturities of long-term debt for the five fiscal years after September 30, 2013, and the years thereafter are as follows (in thousands)

Years Ending September 30	Bonds and Notes	Capital Lease Obligations
2014	$ 7,783	$ 1,466
2015	4,999	1,311
2016	4,875	1,205
2017	4,746	250
2018	4,682	5
Years thereafter	81,154	
	$ 108,239	4,237
Less amount representing interest under capital lease obligations		189
		$ 4,048

The Series 2008A and 2008B bondholders have the option to put the bonds back to the Medical Center Such bonds would be subject to remarketing efforts by the remarketing agent To the extent that such remarketing efforts were to be unsuccessful, the nonmarketable bonds would be purchased from the proceeds from two letter of credit agreements with a bank, which expire on October 3, 2018, and July 2, 2014, respectively If the letter of credit agreements are not extended or replaced, the bonds must either be tendered or converted to long-term fixed-rate bonds If tendered, MMC, pursuant to the loan agreement, would be precluded from instructing the remarketing agent to conduct an auction with the bonds to be sold on a variable rate basis, and the bonds would be purchased from the proceeds of the letter of credit agreements Bonds purchased from the proceeds of the letter of credit agreements are converted to "Bank Bonds" and are payable over ten years The Series 2008A and 2008B bonds have been classified in accordance with the scheduled maturities contained in the bond agreements in the accompanying consolidated balance sheets

The Board adopted a System Funding Agreement and a Corporate Model Master Trust Indenture (the "Indenture") and the Board of Trustees of MaineHealth adopted a System Funding Agreement and a Parent Model Master Trust Indenture These actions resulted in the creation of an Obligated Group for the MaineHealth system MaineHealth subsidiaries that are Designated Affiliates of the Obligated Group have access to lower cost capital and less restrictive debt covenants The Designated Affiliates are indirectly liable for the debt service on the obligations issued under the Indenture for each participant The Medical Center must remain a part of the Obligated Group, but has approval authority over new subsidiaries of MaineHealth requesting participation in the Obligated Group On September 30, 2013 and 2012, the Obligated Group has obligations totaling approximately $171,788,000 and $180,845,000, respectively, that are covered under the Master Trust Indenture The Medical Center is indirectly liable for debt service payments on obligations of approximately $68,500,000 and $68,189,000 at September 30, 2013 and 2012, respectively

Interest Rate Swaps — The estimated fair values of the interest rate swap agreements at September 30, 2013 and 2012, and the change in their fair values for the years then ended are as follows (in thousands)

	Estimated Fair Value		Change in Net Unrealized Gain (Loss) Recognized in Net Assets (Effective Portion)		Gain Recognized in Excess of Revenue over Expenses		Outstanding Notional Amount	
Instrument	2013	2012	2013	2012	2013	2012	2013	2012
Nonhedged contracts	$ (7,473)	$(12,339)	$ -	$ -	$4,814	$163	$ 46,438	$ 72,408
Nonhedged contracts	1,538	1,275			316	801	43,660	25,000
Hedged contracts	(2,223)	(3,953)	1,641	(416)	89	24	16,000	16,000
Total	$ (8,158)	$(15,017)	$1,641	$ (416)	$5,219	$988	$106,098	$113,408

The fair values of the interest rate swap agreements are reported in other long-term assets and liabilities The change in fair value of the effective portion of the interest rate swap agreements that qualify for hedge accounting are reported as a change in unrestricted net assets The change in fair value of the interest rate swap agreements that do not qualify for hedge accounting (including any ineffective portion of qualifying hedge instruments) are reported as a nonoperating activity The Medical Center has reported the net periodic interest rate settlement on the interest rate swaps as a component of interest expense in the consolidated statements of operations

The primary risk managed by the Medical Center's derivative instruments is interest rate risk The Medical Center uses interest rate swaps to modify its exposure to interest rate risk by converting a portion of its variable rate borrowings to a fixed-rate basis, thus reducing the impact of interest rate changes on future interest expense The Medical Center also uses other interest rate swaps to restructure its interest rate exposure by utilizing swaps with different maturity and basis techniques

These interest rate, basis, and constant maturity swaps involve counterparty credit risk exposure The counterparties are major financial institutions that at one time met the Medical Center's criteria for financial stability and creditworthiness In each interest rate swap agreement, the counterparty is required to provide a credit support amount If the counterparty's debt is rated below certain levels and there is a counterparty liability, the counterparty is required to post collateral

Certain of the Maine Health and Higher Educational Facilities Authority Revenue Bonds and Revenue Refunding Bonds were issued under the terms of a Master Trust Indenture Agreement Under the terms of the bonds, the Medical Center is required to maintain certain deposits with a trustee Such deposits are included with investments whose use is limited in the consolidated balance sheets The bonds also require that the members of the Obligated Group satisfy certain measures of financial performance

(including a minimum debt service coverage ratio) as long as the bonds are outstanding Management is not aware of any noncompliance with such covenants at September 30, 2013

Deferred financing costs of $601,000 in 2013 and $662,000 in 2012 are reported as a component of other assets and represent the costs incurred in connection with the issuance of the bonds These costs are being amortized over the term of the bonds Amortization expense for the years ended September 30, 2013 and 2012, was approximately $63,000 and $61,000, respectively The original issue discount/premium is accreted over the term of the related bonds using the effective interest method

The Medical Center has a $20,000,000 revolving line of credit with a bank, which expires March 2015, with interest at a per annum rate equal to one and one-half percent (1 5%) above the one month London InterBank Offered Rate (LIBOR) The interest rate on this line is limited by a floor as follows the minimum interest rate (i e , floor) is 2% per annum The outstanding balance on this line of credit at September 30, 2013, was $15,000,000, which is all categorized as current The Medical Center is currently making interest — only payments on the outstanding balance at the interest rate stated above

11. SELF-INSURANCE TRUSTS AND RESERVES

The Medical Center is partially self-insured for professional and general liability risks The Medical Center shares risk above certain amounts with an insurance company for all claims related to the partially self-insured plans The Medical Center maintains separate trusts for professional and general liability insurance The Medical Center funds these trusts based upon actuarial valuations and historical experience Self-insurance reserves for self-insured unpaid claims and incidents are estimated using actuarial valuations, historical payment patterns, and current trends Self-insurance reserves are recorded in the period the claim or incident occurs and adjusted in future periods as additional data become known

The Medical Center provides health and dental insurance for its employees through a self-insured plan administered by MaineHealth, the parent corporation of the Medical Center For financial reporting purposes, the Medical Center is allocated its pro rata share of plan expenses based on its number of employees and dependents Self-insurance reserves for unpaid claims and incidents are carried at MaineHealth The difference between actual and projected plan expenses is reflected in the future premiums charged to the Medical Center by MaineHealth

The Medical Center provides workers' compensation insurance for its employees through a self-insured plan administered by MaineHealth Employees covered under this plan include all current employees, as well as employees with work injury claims incurred after December 31, 1995 For financial reporting purposes, the Medical Center is charged a pro rata share based on payroll classifications Self-insurance reserves are carried at MaineHealth for unpaid claims, and settlements are estimated using actuarial valuations Self-insurance reserves are recorded in the period the incident occurs and adjusted in future periods as additional data become known Two claim-related incidents, which occurred in 1985 and 1991, continue to be administered through the Medical Center Self-insurance reserves for these claims are carried at the Medical Center The amounts reserved for unpaid claims and settlements are estimated using actuarial valuations

12. CONDITIONAL ASSET RETIREMENT OBLIGATIONS

The Medical Center has previously recognized a liability for the fair value of its conditional AROs The liability is related to the estimated costs to remove the asbestos contained within the Medical Center's facilities The conditional ARO is reported with other liabilities

A reconciliation of the liabilities for AROs at September 30, 2013 and 2012, is as follows (in thousands)

	2013	2012
Asset retirement obligations — beginning of year	$ 16,884	$ 16,559
Accretion expense	456	439
Remediation	(350)	(114)
Asset retirement obligations — end of year	$ 16,990	$ 16,884

13. RETIREMENT BENEFITS

Defined Benefit Pension Plan — The Medical Center sponsors a defined benefit pension plan (the "Plan") covering all employees that work 750 or more hours in a plan year The Plan was amended effective January 1, 2011, to change the basis of a participant's accrued benefit Prior to January 1, 2011, accrued benefits were based on final average pay Effective January 1, 2011, for participants hired on or before December 31, 2009, there is a benefit based on the participant's final average pay through December 31, 2020, and years of service through December 31, 2010 For participants currently employed or hired on or after January 1, 2010, accrued benefits are based on a cash balance formula that became effective January 1, 2011 A participant's cash balance account is increased by an annual cash balance contribution for participants with 750 hours of service, and interest credits in accordance with the terms of the amended Plan document The annual cash balance contribution is determined by applying a rate based on age and years of service to the participant's annual compensation Interest credits are equal to a percentage of the participant's cash balance account on the first day of the Plan year and are credited on the last day of the Plan year prior to payment of the annual cash balance contribution Except for certain instances, the rate of interest used to determine the interest credit for a Plan year is 5% Retiring or terminating employees have the option to receive a lump-sum payment, annuity, or transfer to another qualified plan in accordance with the terms of the amended Plan document, an amount that was earned subsequent to January 1, 2011

On September 4, 2013, the Board approved an amendment to the Plan Effective January 1, 2014, all new hires will be excluded from participation in the Plan Such employees will be eligible to participate in the defined contribution plan

The Medical Center's funding policy is to contribute amounts to fund current service cost and to fund over 30 years the estimated accrued benefit cost arising from qualifying service prior to the establishment of the Plan The assets of the Plan are held in trust and are invested in a diversified portfolio that includes temporary cash investments, marketable equity securities, mutual funds, U S Treasury notes, corporate bonds and notes, hedge funds, and other funds

Defined Benefit Postretirement Medical Plan — The Medical Center offers its employees who retire from the Medical Center prior to age 65 the option to continue their participation in the employee health plan until age 65 Retirees pay 100% of the cost The retiree must terminate from the plan upon age 65 (the age for Medicare eligibility) In addition, the Medical Center offers a Retiree Group Companion Plan benefit to a limited group of employees if certain special eligibility requirements are met To be eligible to access this benefit, an employee must have attained age 55 with five years of pension service as of September 30, 2004, and be enrolled in the employee health plan at the time of their retirement If under 65 when retiring, the retirees must continue their enrollment in the active employee plan until they turn 65 at 100% of the active rate The retiree may then enroll in the Retiree Group Companion Plan at age 65 once they have first enrolled in Medicare

The activity in the Plan and postretirement medical plan using valuation dates of September 30, 2013 and 2012, consists of the following (in thousands)

	Defined Benefit Pension Plan		Postretirement Medical Plan	
	2013	2012	2013	2012
Net periodic benefit cost				
Service cost	$ 27,243	$ 22,682	$ -	$ -
Interest cost	26,852	26,307	440	439
Expected return on plan assets	(36,199)	(33,418)		
Amortization of				
Actuarial loss	21,888	13,084	206	118
Prior service credit	(1,462)	(1,462)	(23)	(23)
Net periodic benefit cost	$ 38,322	$ 27,193	$ 623	$ 534
Change in benefit obligation				
Benefit obligation — beginning of year	$ 646,277	$ 537,677	$ 10,583	$ 9,196
Service cost	27,243	22,682		
Interest cost	26,852	26,307	440	439
Actuarial (gain) loss	(62,786)	80,823	(1,150)	1,356
Benefits paid	(35,596)	(20,378)	(469)	(408)
Expenses paid	(1,355)	(834)		
Benefit obligation — end of year	600,635	646,277	9,404	10,583
Change in plan assets				
Net assets of plan — beginning of year	425,729	355,543		
Actual return on plan assets	42,857	50,368		
Employer contribution	62,000	41,030	469	407
Benefits paid	(35,596)	(20,378)	(469)	(407)
Expenses paid	(1,355)	(834)		
Net assets of plan — end of year	493,635	425,729	-	-
Net amount recognized	$ (107,000)	$ (220,548)	$ (9,404)	$ (10,583)

The additional defined benefit pension plan and postretirement medical plan disclosure information for the years ended September 30, 2013 and 2012, is as follows (in thousands)

	Defined Benefit Pension Plan		Postretirement Medical Plan	
	2013	2012	2013	2012
Amounts recognized in the consolidated balance sheets — accrued retirement benefits	$(107,000)	$(220,548)	$ (9,404)	$(10,583)
Additional information — accumulated benefit obligation	$(565,039)	$(602,897)		

Unrestricted net assets at September 30, 2013 and 2012, include unrecognized losses of $194,348,000 and $285,681,000, respectively, related to the Plan Of this amount, $14,676,000 is expected to be recognized in net periodic pension cost in 2014 The losses in 2013 and 2012 is primarily due to changes in the discount rate used to determine the benefit obligation, changes in other actuarial assumptions, and variances in demographic experience compared to prior assumptions

The assumptions of the Plan as of September 30, 2013 and 2012, are as follows

	2013	2012
Measurement date	September 30	September 30
Census date	January 1	January 1
Used to determine net periodic pension cost		
Discount rate	4 25 %	5 00 %
Rate of compensation increase	3 00	3 00
Expected long-term rate of return on plan assets	8 00	8 00
Used to determine benefit obligation		
Discount rate	5 13	4 25
Rate of compensation increase for 2013	2 00	2 00
Rate of compensation increase for 2014 and 2015	2 75	2 75
Rate of compensation increase for 2016 and after	3 00	3 00

The expected long-term rate of return on plan assets for the Plan reflects the Medical Center's estimate of future investment returns (expressed as an annual percentage) taking into account the allocation of plan assets among different investment classes and long-term expectations of future returns on each class

The targeted allocation for the Plan investments are debt securities — 30 0%, U S equity securities — 22 5%, international equity securities — 17 5%, emerging market equity securities — 5 0%, natural resources — 10 0%, and alternative investments — 15 0% The Plan's investments as of September 30, 2013 and 2012, are disclosed in Note 7

The Plan's overall financial objective is to provide sufficient assets to satisfy the retirement benefit requirements of the Plan's participants This objective is to be met through a combination of contributions to the Plan and investment returns The long-term investment objective for the Plan is to attain a total return (net of investment management fees) of at least 5% per year in excess of the rate of inflation measured by the Consumer Price Index The nature and duration of benefit obligations, along with assumptions concerning asset class returns and return correlations, are considered when determining an appropriate asset allocation to achieve the investment objectives

Investment policies and strategies governing the assets of the Plan are designed to achieve the financial objectives within prudent risk parameters Risk management practices include the use of external investment managers, the maintenance of a portfolio diversified by asset class, investment approach, and security holdings, and the maintenance of sufficient liquidity to meet benefit obligations as they come due

The medical inflation assumption used for measurement purposes in the per capita cost of covered health care benefits for the Postretirement Medical Plan was 7 5% annual rate of increase for the years ended September 30, 2013 and 2012 This rate was assumed to gradually decrease to 5% by 2019 and remain at that level thereafter A 1% increase in the medical inflation rate would cause an approximately $1,174,000 increase in the benefit obligation, whereas a 1% reduction would cause a $1,005,000 reduction in the benefit obligation

The weighted-average discount rates used in determining the accumulated postretirement medical benefit obligation were 5 13% and 4 25% for the years ended September 30, 2013 and 2012, respectively The weighted-average discount rates used in determining the net periodic postretirement medical benefit cost were 4 25% and 5 00% for fiscal years ended September 30, 2013 and 2012, respectively As the postretirement medical plan is unfunded, no assumption was required as to the long-term rate of return on assets

Future benefits are expected to be paid as follows at September 30, 2013 (in thousands)

Years Ending September 30	Defined Benefit Pension Plan	Postretirement Medical Plan (Net of Retiree Contributions)
2014	$30,650	$ 519
2015	34,085	463
2016	38,120	481
2017	42,487	511
2018	45,774	540
2019–2023	271,509	3,177

The estimated expected contribution to be made during 2014 is $37,519,000

Defined Contribution Pension Plans — The Medical Center also sponsors a 403(b) retirement plan for all employees The Medical Center provides a 50% match of each dollar contributed by the employee up to a maximum contribution of 2% of their gross earnings The employees are eligible to receive the employee match after one year of service The expense recognized for the Medical Center's match was approximately $6,294,000 and $5,733,000 in 2013 and 2012, respectively

14. NET ASSETS

Temporarily Restricted Net Assets — Temporarily restricted net assets are restricted primarily for health care services and consist of the following at September 30, 2013 and 2012 (in thousands)

	2013	2012
Donor-restricted specific purpose funds	$ 5,446	$ 4,885
Accumulated appreciation on permanently restricted net assets	75,083	70,763
Plant replacement funds	491	362
Pooled life and charitable remainder trusts	1,872	2,083
	$82,892	$78,093

Permanently Restricted Net Assets — Permanently restricted net assets at September 30, 2013 and 2012, consist of investments to be held in perpetuity, the income from which is expendable primarily to support the care of patients (in thousands)

	2013	2012
Permanently restricted net assets	$ 26,485	$25,019

Endowment Funds — The Medical Center's endowment consists of funds established for a variety of purposes For the purposes of this disclosure, endowment funds include donor-restricted endowment funds As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions

Interpretation of Relevant Law — The Medical Center has interpreted state law as requiring realized and unrealized gains on permanently restricted net assets to be retained in a temporarily restricted net asset classification until appropriated by the Board and expended State law allows the Board to appropriate as much of the net appreciation of permanently restricted net assets as is prudent considering the Medical Center's long- and short-term needs, present and anticipated financial requirements, and expected total return on its investments, price level trends, and general economic conditions The amount appropriated related to the net appreciation of permanently restricted net assets in 2013 and 2012 was approximately $6,200,000 and $6,024,000, respectively

As a result of this interpretation, the Medical Center classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment when explicit donor stipulations requiring permanent maintenance of the historical fair value are present and (b) the original value of the subsequent gifts to the permanent endowment when explicit donor stipulations requiring permanent maintenance of the historical fair value are present The remaining portion of the donor-restricted endowment fund comprised of accumulated gains not required to be maintained in perpetuity is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the donor's stipulations The Medical Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds duration and preservation of funds, purposes of the donor-restricted endowment funds, general economic conditions, the possible effect of inflation and deflation, the expected total return from income and the appreciation of investments, other resources of the Medical Center, and the investment policies of the Medical Center

Endowment Investment Return Objectives — The Medical Center has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s), as well as Board-designated funds Under this policy, the endowment assets are invested in a manner to attain a total return (net of investment management fees) of at least 5 5% per year in excess of inflation, as measured by the Consumer Price Index To satisfy its long-term rate-of-return objectives, the Medical Center targets a diversified asset allocation that places a greater emphasis on equity-based investments within prudent risk constraints

Endowment Net Asset Composition — The following is a summary of the endowment net asset composition by type of fund at September 30, 2013 and 2012, and the changes therein for the years then ended (in thousands)

	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets — October 1, 2011	$66,123	$23,560	$ 89,683
Net investment appreciation	10,664		10,664
Appropriation of endowment assets for expenditure	(6,024)		(6,024)
Gifts, donations, and other		1,459	1,459
Endowment net assets — September 30, 2012	70,763	25,019	95,782
Net investment appreciation	10,520		10,520
Appropriation of endowment assets for expenditure	(6,200)		(6,200)
Gifts, donations, and other		1,466	1,466
Endowment net assets — September 30, 2013	$75,083	$26,485	$ 101,568

Funds with Deficiencies — From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Medical Center to retain as a fund of perpetual duration There were no material deficiencies of this nature as of September 30, 2013 or 2012

15. CONCENTRATION OF CREDIT RISK

Financial instruments, which potentially subject the Medical Center to concentration of credit risk, consist of patient accounts receivable, estimated amounts receivable under reimbursement regulations, and certain investments Investments, which include government and agency securities, stocks, and corporate bonds, are not concentrated in any corporation or industry The Medical Center grants credit without collateral to its patients, most of whom are insured under third-party payor agreements The mix of receivables from patients and third-party payors at September 30, 2013 and 2012, was as follows

	2013	2012
Medicare	33 %	31 %
MaineCare	14	16
Anthem Blue Cross	10	6
Maine Heart Center	5	
Other third-party payors	22	36
Patients	16	11
	100 %	100 %

16. OPERATING LEASES

The Medical Center leases equipment and office space under various noncancelable operating leases Future minimum payments due under noncancelable operating leases with a term of one year or more as of September 30, 2013, are as follows (in thousands)

Years Ending September 30	
2014	$ 6,503
2015	5,491
2016	4,298
2017	2,759
2018	1,907
Thereafter	3,788
	$ 24,746

Payments made under operating leases amounted to approximately $6,562,000 in 2013 and $6,255,000 in 2012

17. RELATED-PARTY TRANSACTIONS

For the years ended September 30, 2013 and 2012, the Medical Center charged affiliates $34,361,000 and $27,736,000, respectively, for services provided For the years ended September 30, 2013 and 2012, MaineHealth charged the Medical Center $41,820,000 and $31,619,000, respectively, for management, legal, audit, and other services For the years ended September 30, 2013 and 2012, MaineHealth charged the Medical Center $64,906,000 and $54,615,000, respectively, for health insurance (see Note 11) For the years ended September 30, 2013 and 2012, MaineHealth charged the

Medical Center $4,143,000 and $2,927,000, respectively, for workers' compensation insurance (see Note 11)

The Medical Center maintains an agreement with NorDx, a subsidiary of MaineHealth, to receive substantially all laboratory services For the years ended September 30, 2013 and 2012, NorDx charged the Medical Center $22,510,000 and $22,264,000, respectively, for the laboratory services

The Medical Center invests monies for MaineHealth and certain MaineHealth subsidiaries in commingled investment accounts

MaineHealth's Board of Trustees has approved $205 million in capital expenditures to acquire and implement an enterprise-wide software solution to include inpatient clinical information systems, revenue cycle management, financial management systems, supply chain, and human resource management systems The systems will be implemented over several years Funding for the project will be primarily provided by the MaineHealth members that will benefit from the future use of these systems The MaineHealth members will recognize a prepaid purchase service as a long-term asset equivalent to the amount contributed The prepaid purchase service will be reduced in future years as the service is provided by MaineHealth The amount of prepaid purchased service reported by the Medical Center as of September 30, 2013 and 2012, was $41,100,000 and $34,000,000, respectively

The following table sets forth a summary of the Medical Center's due to/from affiliated entities balances at September 30, 2013 and 2012, respectively (in thousands)

	2013		2012	
	Due From	Due To	Due From	Due To
Current				
MaineHealth	$ -	$ 6,711	$ -	$ 168
NorDx		121		1,881
Western Maine Health Care Corporation	182		306	
Southern Maine Medical Center	1,473		1,057	
Goodall Hospital	153			
Waldo County Healthcare	226		270	
HomeHealth-Visiting Nurses of Southern Maine	147			3,152
Maine Mental Health Partners	436		221	
Pen Bay Healthcare	4,274		1,722	
Synernet	65		132	
Lincoln County Heath Care	377		341	
Mainehealth Cardiology		1,075		
ACO		44	22	
Other	531	96	1,078	3,321
	$ 7,864	$ 8,047	$5,149	$8,522
Noncurrent				
MaineHealth	$ 5,564	$ -	$5,564	$ -
Western Maine Health Care Corporation		1,216		
HomeHealth-Visiting Nurses of Southern Maine		7,087		
Maine Mental Health Partners		3,617		
Other		187	4	
	$ 5,564	$ 12,107	$5,568	$ -

18. FUNCTIONAL EXPENSES

The Medical Center provides health care services through its acute care, specialty care, and ambulatory care facilities Expenses relating to providing these services for the years ended September 30, 2013 and 2012 are as follows (in thousands)

	2013	2012
Professional care of patients	$ 641,010	$611,526
Dietary	9,340	10,078
Household and property	37,253	38,081
Administrative services	129,564	76,596
Research	20,642	21,085
State taxes	17,218	14,992
General services and employee benefits	96,459	80,902
Interest	3,693	3,907
Depreciation and amortization	58,888	54,487
	$ 1,014,067	$911,654

19. CONTINGENCIES

The Medical Center is subject to complaints, claims, and litigation that have arisen in the normal course of business In addition, the Medical Center is subject to compliance with laws and regulations of various governmental agencies Recently, governmental review of compliance with these laws and regulations has increased, resulting in fines and penalties for noncompliance by individual health care providers Compliance with these laws and regulations is subject to future government review, interpretation, or actions, which are unknown and unasserted at this time

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SUPPLEMENTAL CONSOLIDATING INFORMATION

MAINE MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEET INFORMATION
AS OF SEPTEMBER 30, 2013
(In thousands)

ASSETS	Maine Medical Center	Maine Medical Partners	MMC Realty	Eliminations	Consolidated
CURRENT ASSETS					
Cash and cash equivalents	$ 37,374	$ 533	$ -	$ -	$ 37,907
Investments	210,912				210,912
Patient accounts receivable — net	77,134	17,814			94,948
Current portion of investments whose use is limited	5,746				5,746
Inventories, prepaid expenses, and other current assets	22,457	1,787	311		24,555
Estimated amounts receivable under reimbursement regulations	24,452				24,452
Current portion of notes and amounts receivable from affiliated entities	7,586		12,555	(12,277)	7,864
Total current assets	385,661	20,134	12,866	(12,277)	406,384
INVESTMENTS WHOSE USE IS LIMITED BY					
Debt agreements	4,051				4,051
Board designation	78,845				78,845
Self-insurance trust agreements	24,823				24,823
Specially designated specific purpose funds	39,339				39,339
Plant replacement funds	18,231				18,231
Funds functioning as endowment funds	111,240				111,240
Pooled life income funds	2,981				2,981
	279,510	-	-	-	279,510
Less current portion	5,746				5,746
	273,764				273,764
PROPERTY, PLANT, AND EQUIPMENT — Net	433,107	2,173	28,893		464,173
NOTES AND AMOUNTS RECEIVABLE FROM AFFILIATED ENTITIES — Less current portion	5,564				5,564
OTHER ASSETS	58,062	12,492			70,554
TOTAL	$ 1,156,158	$ 34,799	$ 41,759	$ (12,277)	$ 1,220,439

(Continued)

MAINE MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEET INFORMATION
AS OF SEPTEMBER 30, 2013
(In thousands)

LIABILITIES AND NET ASSETS	Maine Medical Center	Maine Medical Partners	MMC Realty	Eliminations	Consolidated
CURRENT LIABILITIES					
Current portion of long-term debt	$ 8,100	$ -	$ 1,084	$ -	$ 9,184
Line of credit	15,000				15,000
Accounts payable and other current liabilities	27,231	1,536	77		28,844
Accrued payroll, payroll taxes, and amounts withheld	25,371	7,861			33,232
Accrued earned time	22,309	2,669			24,978
Accrued interest payable	381				381
Estimated amounts payable under reimbursement regulations	51,860				51,860
Self-insurance reserves	1,695				1,695
Current portion of notes and amounts payable to affiliated entities	20,324			(12,277)	8,047
Total current liabilities	172,271	12,066	1,161	(12,277)	173,221
ACCRUED RETIREMENT BENEFITS	118,185				118,185
SELF-INSURANCE RESERVES	15,483				15,483
LONG-TERM DEBT — Less current portion	98,667		5,020		103,687
NOTES AND AMOUNTS PAYABLE TO AFFILIATED ORGANIZATIONS	12,107				12,107
OTHER LIABILITIES	29,362		322		29,684
Total liabilities	446,075	12,066	6,503	(12,277)	452,367
NET ASSETS					
Unrestricted	600,706	22,733	35,256		658,695
Temporarily restricted	82,892				82,892
Permanently restricted	26,485				26,485
Total net assets	710,083	22,733	35,256	-	768,072
TOTAL	$ 1,156,158	$ 34,799	$ 41,759	$ (12,277)	$ 1,220,439

(Concluded)

MAINE MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF OPERATIONS INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2013
(In thousands)

	Maine Medical Center	Maine Medical Partners	MMC Realty	Eliminations	Consolidated
UNRESTRICTED REVENUES AND OTHER SUPPORT					
Net patient service revenue (net of contractual allowances and discounts)	$ 865,148	$ 94,076	$ -	$ -	$ 959,224
Provision for bad debts	45,414	5,424			50,838
Net patient service revenue — net of provision for bad debts	819,734	88,652			908,386
Direct research revenues	11,245				11,245
Indirect research revenues	3,587				3,587
Other revenue	123,492	42,455	6,069	(70,375)	101,641
Total unrestricted revenues and other support	958,058	131,107	6,069	(70,375)	1,024,859
EXPENSES					
Salaries	376,015	102,028			478,043
Employee benefits	135,335	14,687			150,022
Supplies	139,542	515	55		140,112
Professional fees and purchased services	152,353	11,323	236	(32,552)	131,360
Facility and other costs	30,160	40,043	2,351	(37,823)	34,731
State taxes	17,218				17,218
Interest	3,367		326		3,693
Depreciation and amortization	57,057	493	1,338		58,888
Total expenses	911,047	169,089	4,306	(70,375)	1,014,067
INCOME (LOSS) FROM OPERATIONS	47,011	(37,982)	1,763	-	10,792
NONOPERATING GAINS					
Gifts and other — net of expenses	2,599				2,599
Interest and dividends	7,786				7,786
Recognized gain on cash flow hedge instruments	5,057		162		5,219
Equity in earnings of joint ventures	709	4,297			5,006
Total nonoperating gains — net	16,151	4,297	162	-	20,610
EXCESS (DEFICIENCY) OF REVENUES AND NONOPERATING GAINS — NET BEFORE INCREASE IN FAIR VALUE OF INVESTMENTS	63,162	(33,685)	1,925		31,402
DECREASE IN FAIR VALUE OF INVESTMENTS	(2,567)				(2,567)
EXCESS (DEFICIENCY) OF REVENUES AND NONOPERATING GAINS — NET OVER EXPENSES	60,595	(33,685)	1,925		28,835
NET ASSETS RELEASED FROM RESTRICTIONS FOR PROPERTY, PLANT, AND EQUIPMENT	215				215
EQUITY TRANSFER (TO) FROM AFFILIATES	(40,478)	36,824			(3,654)
RETIREMENT BENEFIT PLAN ADJUSTMENTS	91,196				91,196
CHANGE IN NET UNREALIZED GAIN ON CASH FLOW HEDGE INSTRUMENTS	1,641				1,641
INCREASE IN UNRESTRICTED NET ASSETS	$ 113,169	$ 3,139	$ 1,925	$ -	$ 118,233

Maine Medical Center
FY13 Community Benefit Report

I. Why create a Community Benefit report?

Maine Medical Center operates as a tax exempt organization and provides services across Cumberland County, the state of Maine, and Northern New England These services include outpatient clinics for a diverse population, full inpatient and outpatient surgical services, a research institute, a simulation center, cancer institute, neuroscience institute, and The Barbara Bush Children's Hospital Many of these services, such as the medical school and clinical research programs, are not available anywhere else in the state Maine Medical Center also serves as the only Level 1 Trauma Center in Maine

Maine Medical Center is a role model for the community, and pursues collaborations with organizations and initiatives whose missions augment or complement its own As a nonprofit institution, Maine Medical Center provides nearly 23 percent of all the charity care delivered in Maine, and by practicing healthy behaviors, educating the public, and providing services for all who need them, it aims to increase the health of the population of Maine, regardless of socioeconomic factors

This report summarizes Maine Medical Center's community benefits efforts over the last year The final section (VIII) also provides a financial summary of charity care, bad debt, government-sponsored health care, and all subsidized community programs and other support

II. Organizational Description and Information

Maine Medical Center is dedicated to maintaining and improving the health of the community it serves by caring for the community, educating tomorrow's caregivers and researching new ways to provide care It proudly carries its unique responsibility as Maine's leader in patient care, education, and research Maine Medical Center is dedicated to the traditions and ideals of not-for-profit health care, and safe, patient and family centered care is available and accessible to all who seek it MMC is the flagship hospital of MaineHealth, a health system serving central, southern, and western Maine and one of the top 100 integrated health care systems in the country

Under the governance of its Board of Trustees, MMC's Senior Leadership Team is responsible for the quality and safe delivery of care provided to patients and their families

III. Community Needs Assessment

The MMC Board is made up of a diverse set of community members Each MaineHealth Member Board requires a thorough community needs assessment and directs its organization to respond to the needs identified MaineHealth also participates in various initiatives to help support and provide updates to community needs assessment planning Some of these initiatives include

- Clinical Strategic Planning
- Financial Strategic Planning

- Facility Planning
- Manpower Planning
- Physician Recruitment Strategic Planning
- Emergency Preparedness Planning

Along with the internal assessments, most member organizations also review and act on many of the recommendations provided by external groups such as the Maine Center for Disease Control and Prevention and the "State Health Plan" created by the Advisory Committee for Health Systems Development

In addition, MaineHealth and its partners in the OneMaine Health Collaborative, Eastern Maine Health System and MaineGeneral Health, released the OneMaine Health Community Health Needs Assessment Report in March 2011 The report was a comprehensive compilation and analysis containing primary and secondary health data sources The report contained a Health Status Profile for the state as a whole and for each of Maine's sixteen counties The primary data source was a randomized telephone survey, the sampling methodology was designed to permit comparisons at the county level Secondary data sources include numerous state and federal sources This report provided baseline data on hundreds of health indicators that are relevant to hospitals and communities to inform planning and evaluation activities MaineHealth holds community forums in partnership with each member and affiliate hospital in order to increase understanding and use of the Community Needs Health Assessment and to inform identification and action on local, community-based health priorities

Plans call for a Community Health Needs Assessment to be replicated every three years In the summer of 2013, MaineHealth created "CHNA and Implementation Plan Reports" in collaboration with member hospitals These detailed reports covered the time period of 2013-15 and were formally adopted by each member organization Board for submission with the FY13 990 filing – ACA compliance required these reports to be completed no later than April 2014

IV. Subsidized Maine Medical Center Community Programs and Other Support*

Community Health Improvement Services and Community Benefits Operations

Sagamore Village Health Center
MMC provides staff and support for clinics in a disadvantaged Portland neighborhood

Portland Community Free Clinic
MMC doctors from the Emergency Medicine department volunteer at the Portland Free Clinic, providing primary care to uninsured, low-income adults

Medical Tent Support
MMC physicians provide medical support for local and regional running events including the Maine Marathon and Boston Marathon

School-based Clinics
MMC provides staff and support for clinics in several Portland Public Schools

Health Fair at Portland Adult Education
MMC RNs planned a community health fair on MMC time The fair covered hand hygiene, oral care, blood pressure screening and more

Sports Medicine Game Coverage and Pre-Assessments
The Sports Medicine division at MMC's Family Medicine Center provides physical exams and training room support for area school teams and marathons and other sports events

Epilepsy Support Group
This support group is available to anyone who has been diagnosed with epilepsy, as well as their family or friends

Taxi Vouchers, Clothing, etc.
MMC provides taxi vouchers to patients who need transportation home Also, Social Work provides petty cash and some clothing for patients

HIM High School Career Fair
Managers and Supervisors from HIM participated in a half day High School Career Fair introducing students to careers in HIM

Health Professions Education

MMC provides a clinical setting for medical students from a number of medical schools as they rotate through the clinical services, post-graduate training in a number of specialties, in both residencies and fellowships, rural practice settings as part of resident education and as a service to the practices, and numerous sessions in which practicing physicians can keep their knowledge current

Subsidized Health Services

Care Partners
MMC plays two roles in this MaineHealth-sponsored program funding and providing free care CarePartners is a "safety net" program designed to provide care for those who cannot afford commercial insurance but are not eligible for government programs CarePartners provides administrative support to help serve the target population, including comprehensive eligibility assessment, care management, and access to low cost or free pharmaceuticals In addition to the free care that MMC gives as a provider in the program, we make a financial contribution to its operations

Outpatient Clinics
Many MMC Outpatient Clinics serve specific patient populations with services that would otherwise not be available in the community, including a Virology Treatment Center clinic that is a statewide resource to physicians caring for patients with HIV/AIDS, it also provides education and conducts clinical trials including many that otherwise would not be available in the State In addition, one afternoon a week, the International Clinic provides services to immigrants and refugees from around the world who have settled in Portland

Behavioral Health Care
MMC is a safety-net provider of behavioral healthcare services

Care Management
This program assists patients with lodging, medicine, transportation, and medical equipment

Oncology Patient Navigators
Seven specially trained oncology nurse Clinical Patient Navigators work with patients diagnosed with cancer to ensure the patient and their family have all of the information they need to make the most informed and timely decisions about their treatment plan MMC navigators represent all of the major tumor sites breast, prostate/genitourinary, lower GI (colon/rectal), upper GI (liver/pancreas), gyn-onc, and thoracic (lung/esophageal) There is also a Neurosciences Patient and Family Liaison who spends part of her time working with neuro-oncology (brain tumor) patients MMC also pays for half of the expense of an American Cancer Society Patient Navigator who is available to help patients navigate the myriad of community support resources available as part of the cancer care process

Language Line and Interpretive Services
Live and telephonic interpretation services are provided for patients who do not speak English

Palliative Care Program
This program is dedicated to relieving the suffering and improving the quality of life for patients with advanced and life-threatening illnesses

Sign Language Interpreting Services
MMC provides on-site interpreters for deaf patients who use American Sign Language and offers accommodations and services for deaf and hard-of-hearing patients and family members The coordinator trains MMC staff to better accommodate deaf and hard-of-hearing patients and, with local agencies, brings medical information to members of the deaf community

Uncompensated Care Drug Program
MMC`s Pharmacy provides free medications to qualifying MMC cancer patients and discharged patients Also, patients of the Emergency Department and Brighton FirstCare receive `starter packs` and some routine drugs at no charge when they are discharged

Tutoring
MMC provides tutoring for students who miss school due to hospitalization

Northern New England Poison Center
The NNEPC serves Maine, New Hampshire, and Vermont with 24/7 toll-free telephone consultations with health care professionals and lay persons about toxic substances MMC contributes funding to provide services that are not sufficiently supported by state or federal government, such as poison and drug-related outreach education for health care professionals and lay persons, poison and drug-related research, surveillance for terrorism, tampering/contamination, unanticipated adverse drug events, food poisoning and other public health emergencies, and support for all-hazards preparedness and response The in-kind contribution includes partial salaries for clinical toxicologists, nurse certified specialists in poison information, and other staff, as well as employee benefits and operating overhead

Maine Medical Partners
MMC supports mission-critical physician practices to ensure coverage for the community in such specialties as trauma surgery, neurosurgery, various pediatric specialties, and high-risk obstetrics

Research

The Maine Medical Center Research Institute is the largest hospital-based biomedical research facility in northern New England Many clinicians author scholarly work or participate in various studies and research activities, and the Institute offers a summer student program

Cash and In-kind Contributions

Contributions
MMC makes carefully selected contributions to other nonprofit organizations whose activities augment or complement MMC's mission Significant contributions went to the American Heart Association, Let's Go, Educated Maine and support for the Campaign for Maine's Community Colleges

Charles A. Dana Health Education Center & East Tower Classrooms
The classroom facilities of the Dana Center and the East Tower are available free of charge to external groups who have MMC sponsors Regular users include Alcoholics Anonymous, the National Alliance for the Mentally Ill, HOPE, etc

United Way
MMC makes a contribution to the Greater Portland obesity initiative and supports the annual United Way campaign

Portland Fire Fighters
MMC supports those first responders who are responsible for the medical center and its neighbors

Community Support (Community Building Activities)

Disaster Preparation
MMC is deeply involved in disaster planning at the local and State levels One of three state Regional Resource Centers for Emergency Preparedness is located at MMC, and the hospital has a full-time Director of Emergency Preparedness

National Disaster Drill
MMC participated in the US Department of Defense exercise titled "Vigilant Guard"

Maine State Chamber of Commerce
MMC is a dues paying member of the organization

Southern Maine Regional Resource Center for Health Emergency Preparedness
The Center coordinates all Emergency Preparedness Activities for the Southern four counties of Maine, which include York, Cumberland, Sagadahoc and Lincoln This includes 2 regional Hospitals, and over 300 Medical Centers, Laboratories, Clinics Ambulatory Center, Physician Practices Long Term Care Centers and Home Health Agencies in our region, along with Public Healthcare Emergency Preparedness

Clinical Pastoral Education
Placement of pastoral care students one day per week during the summer in community agencies, including outpatient cancer, Preble Street, nursing homes and Seafarers

Doc4aDay
Students, chosen from underrepresented minority groups or educationally or economically disadvantaged backgrounds, receive an overview of what is involved in becoming a physician, and participate in hands on clinical activities in the simulation lab

CNA Training Program
The CNA course is a state approved, 190-hour course which is free of charge to students accepted to the program It includes classroom work, skills labs, and clinical experiences The 11-week program is offered through the Center for Clinical & Professional Development with support and ongoing interaction from Human Resources Upon course completion, students sit for the state certification exam This initiative is a service to our community offering unique opportunities for diverse populations who otherwise might not be able to afford the education Many CNA graduates are ultimately employed by Maine Medical Center However, the program also provides graduates for other agencies or settings within the area CNAs are a valued part of the nursing team at Maine Medical Center

Surgical Tech Training Program
The MMC School of Surgical Technology prepares highly qualified and motivated students to be members of a modern surgical team

Maine Medical Center's Aggregate "Net Community Benefit Investment" = $87,846,305

* In addition to the aforementioned programs, Maine Medical Center provides its proportional share of support for the annual budget of the following programs, through both "member dues" and "fund balance transfers" While all member organizations may not participate directly in the following initiatives, all members provide some level of financial support to help sustain and grow these MaineHealth programs

Community Health Improvement Services and Community Benefit Operations

AMI/PERFUSE Program – The AMI/PERFUSE program helps caregivers provide the highest quality care and achieve the best possible outcomes for patients who experience an acute myocardial infarction – regardless of the patient's point of entry into the MaineHealth system A network of providers ensures that heart attack patients receive timely, evidence-based treatment

Chronic Disease – The Chronic Disease program increases awareness and utilization of quality care measures for both pediatric/adult asthma, COPD, and Diabetes – this program was formerly listed separately as "Asthma", "Chronic Obstructive Pulmonary Disease" and "Diabetes"

Emergency Medicine – The Emergency Medicine Program improves the quality of care received by patients in the emergency departments of MaineHealth member and affiliate hospitals The program works to streamline processes and to effectively meet the acute medical needs of patients in the ED Program staff provide training to emergency medical personnel and work with ambulance services to inform the care provided before patients arrive at the hospital

Heart Failure – The Heart Failure Program improves health outcomes for patients with heart failure by promoting best practices in care at MaineHealth hospitals and across all care settings

The program supports a comprehensive, integrated approach for patients and their families as they move from one care environment to another

Hospital Medicine – The goal of this program is to enhance standardization of clinical care by supporting system level inpatient order sets This includes formalizing the MaineHealth Order Set Review Committee entity with program plans, roles, charter, processes, tools, reports and governance

Infection Prevention – The Infection Prevention Program works to reduce infection rates, improve outcomes for patients and decrease preventable hospitalizations across the MaineHealth system The program aims to reduce hospital-acquired infections through improved hand hygiene compliance

Mental Health Integration – The Mental Health Integration Program works to improve patient care by bringing mental health clinicians into medical settings, and by improving the collaboration between medical and mental health providers The goal of the program is to help people get effective and efficient care for mental and behavioral health problems

Oncology - The Oncology Program promotes high quality oncologic care across the system, ensuring easy access and effective transitions among specialists and locations The program provides screening and treatment guidelines to clinicians, provides patient education materials to patients, improves awareness of clinical trials, improves access to genetic services and improves the overall delivery of cancer care

Palliative Care - The Palliative Care Program promotes palliative care across the system The initiative includes clinician education about palliative care including identification of patients who may benefit from palliative care, provision of palliative services for complex medical conditions, addressing ethical issues and engaging patients in discussing goals of care The program promotes the use of Physician Orders for Life Sustaining Treatment (POLST) within each MH institution as well as community based advance directive/care planning

Patient Centered Medical Home – This program supports the MaineHealth Members' strategy for creating a strong primary care network by assisting primary care practices with Patient Centered Medical Home transformation Efforts include increasing regional capacity in quality improvement and practice redesign by offering learning collaboratives for practices, a coach development program and providing educational opportunities including the dissemination of tools and resources

Pharmacy and Therapeutics - The Pharmacy and Therapeutics Program works to improve outcomes of patients in the MaineHealth system by reducing variations in care and promoting best practices The program seeks to coordinate purchasing and performance initiatives in MaineHealth hospitals

Preventive Health - The Preventive Health Program works to deliver consistent, high-quality, preventive healthcare across the MaineHealth region for adults and children by providing best-practice, evidence-based tools and support to primary care practice teams The purpose is to provide a preventive health focus for patients and providers that helps to reduce the prevalence and severity of chronic disease

Surgical Quality Collaborative – The goal of the MaineHealth Surgical Quality Collaborative is to create a collaborative encompassing surgical and quality staff from system hospitals to foster learning, measure improvement, and use empirical data to improve the quality, safety and value of surgical care

Telehealth - The Telehealth Program works to improve the health status of our communities by integrating, advancing and optimizing the use of telehealth technologies Current telehealth technologies include connections between hospitals, such as bringing specialists to rural areas, connecting providers to patients' homes and remote monitoring of patients in critical care units in most MaineHealth hospitals

Transitions of Care - The Transitions of Care Program works to ensure that patients receive excellent care throughout the transition from hospital to home and to community-based providers The program works to improve patient outcomes and reduce unnecessary readmissions by supporting best practices for provider follow-up visits, coordinating medications, patient and family education, and enhancing the communications critical for excellent care once the patient leaves the hospital

Subsidized Health Services

CarePartners – The program arranges the provision of donated healthcare services for low income uninsured Mainers in Cumberland, Kennebec, Lincoln, and Waldo Counties CarePartners also provides administrative support to help serve the target population, including comprehensive eligibility assessment, care management, and access to low cost or free pharmaceuticals

MedAccess – The program provided access to approximately $16 2 million of free medications in FY13 CarePartners provides this community resource to uninsured and underinsured community members through the Patient Assistance Programs (PAPs) In addition to this service, MedAccess offers application assistance for other prescription access programs, local low-cost generic programs, and other state and federal programs either in-person or through a toll-free number (meaning MaineHealth only counts the staff and program costs/support as a "net community benefit investment" here, and not the actual dollar figure of free medications provided through the program)

Community Support

Healthy Weight Initiative – This initiative targets both children and adults in the community The key parts of the initiative include clinical, community, and environmental/policy interventions MaineHealth's financial support for this initiative recognizes the importance of preventing obesity as a major driver of health care costs, a major risk factor for chronic diseases, and a well-documented community epidemic

OneMaine Health Community Health Needs Assessment – As described earlier in Section III of this report, plans call for a Community Health Needs Assessment to be replicated every three years In the summer of 2013, MaineHealth created "CHNA and Implementation Plan Reports" in collaboration with member hospitals These detailed reports covered the period of 2013-2015 and were formally adopted by each member organization Board for submission with the FY13 990 filing – ACA compliance required these reports to be completed no later than April 2014

Health Index Report – MaineHealth staff creates the Health Index report to present key factors and specific elements of the health status throughout many Maine counties, focusing on measures of health improvement and specific health outcomes/goals – nearly 2,000 copies of the health index report are distributed annually to health and other community leaders and organizations

Child Health Program - The Child Health program is focused on increasing rates of child immunizations within the MaineHealth system and statewide through clinical, community and policy interventions The program engages health professionals and provider organizations, community partners, family members, and local and state government in its efforts in order to meet the goal of increasing Maine's 19-35 month old vaccination rate for the standard series of seven immunizations from 67% in 2010 to 82% or higher by 2016 Amid evidence of increased vaccine refusal and delay in our communities, MaineHealth's financial support for this program underscores the importance of vaccinations as the most cost-effective health prevention activity for children and one of society's greatest public health achievements

Partnership for Healthy Aging - PHA leads the implementation of evidence-based prevention programs for older adults (Living Well, A Matter of Balance, EnhanceWellness, EnhanceFitness, Healthy IDEAS) throughout Maine The efforts of Elder Care Services focus upon improving transitions, prevention, and quality across the care continuum Initiatives include Care Transitions coaching, Community Links, and Falls Prevention Tools for providers and patients

Community Health Improvement Advocacy

MaineHealth Learning Resource Centers – With four locations in Maine, the LRCs provide patients, health care providers and community members with easy access to quality health information and a wealth of educational reference material In addition, the LRCs offer the public over 100 unique classes taught by professionals (e g healthy cooking, yoga, chronic disease self-management, cancer prevention, and mental health awareness)

Parkinson's Information and Referral Center – The Center is a primary resource for people with Parkinson's disease, as well as their families and healthcare providers Assistance includes "patron requests" for information, direct physician referrals, educational outreach to health care facilities, coordinating support groups, and specialized classes for newly-diagnosed individuals

V. Billing and Collection Practices

Maine Medical Center charges all patients the same price for the same services regardless of payor source Individuals are not required to pay or to make arrangements to pay prior to the services being provided On average, the first bill is sent to a patient seven days after services are provided After that initial billing date, and after all insurances have paid on that account, the patient has 30 days to pay their portion of the bill for those services Before collection action is taken by MMC, four notices will be sent to patients informing them of their lack of proper payments and continued attempts will be made to communicate with them about a solution

In the absence of either full payment or a patient's attempts to communicate in order to resolve the situation, which may include the patient's agreement to enter into a monthly payment program, MMC does use a responsible and professional collection agency if necessary A bill will become classified as "bad debt" once it has been assigned to our collection agency If the balance is paid in full within 90 days of placement with our collection agency, it is not reported on their credit file MaineHealth hospitals may pursue legal action for collecting an outstanding

bill only with prior Board approval MMC's Board has not voted to pursue such legal action in, at the minimum, the past 18 years

VI. Charity Care Policies

Maine Medical Center's policy of charity care and financial assistance is easily understood, prominently posted, and publicly available A process exists for offering charity care or financial assistance to patients who are unable to pay both before and after services have been rendered and they have been billed In addition to monitoring collection practices, copies of the charity care policy are made available to patients at all entry points (Registration, Emergency, etc) and with bill/collection notices The organization uses simple application procedures as defined by the State of Maine Department of Health and Human Services for charity care or financial assistance that do not intimidate or confuse applicants

Maine Medical Center's employees who work in Admitting, Billing, Accounts Receivable, or Patient Services are fully informed and educated about all financial assistance policies These staff members identify unpaid bills where persons are unable to pay, and separate these potential 'charity care' bills from other bad debt accounts

Maine Medical Center provides 100% free care to our patients who are at or below 175% of the Federal Poverty level We also provide additional discounted care on an income-based sliding scale program for patients who are between 176% and 225% of the Federal Poverty level

VII. Good Governance and Executive Compensation Policies

Good Governance

Maine Medical Center has a Board of 29 community members, a majority of whom are not practicing physicians, officers, department heads, or other employees with a financial connection or otherwise affiliated with the organization itself The Board meets 11 times a year (on average), and has a written "conflict of interest" policy in place The Board understands the specific mission of the organization, and approves strategic planning initiatives aimed at carrying out this mission Trustees understand their fiscal and other specific responsibilities while serving on the Board, and further education/information is provided to Board members if requested Trustees and executive officers of Maine Medical Center do not receive loans on behalf of the organization The organization ensures that a substantial part of its activities does not involve attempts to influence legislation, and that it will not take an official position or provide direct support for or against a political candidate Moreover, in addition to the CEO, CFO, or both officially signing off on Maine Medical Center's yearly 990 and audited financial statements, the Board of Trustees must also have final approval of the yearly audited financial statements The Board has also adopted and maintains a corporate compliance program that includes a Code of Conduct for all staff education and training, monitoring for compliance, and a Helpline for staff to call, all intended to produce continual compliance with organizational policies and the law

Executive Compensation

Maine Medical Center has a formal written compensation policy in place In consultation with Sullivan Cotter and Associates, the MaineHealth Board Compensation Committee establishes appropriate compensation parameters for each member organization's CEO and certain members

of their Senior Management team Working within those parameters, the organization's Board determines the level of compensation for its CEO The findings of the Compensation Committee are made transparent to, and voted on by, the full Governing Board This "total executive compensation" is filed publicly by the organization, and includes "total cash compensation" and "total value of all benefits and perquisites associated with position (such as housing allowances, social club memberships, signing bonuses, etc)" The Board takes necessary action to prevent the CEO from voting or directly participating in the final Committee determination of his own compensation The organization's executive compensation procedure relies upon appropriate data for comparability (e g compensation levels paid by both taxable and tax-exempt similarly situated organizations and independent compensation surveys by nationally recognized independent firms) Finally, the organization refrains from allowing executive compensation to ever be based solely on Maine Medical Center's revenues or other similar profit-sharing strategies

VIII. Aggregate Financial Data

Maine Medical Center's Community Benefit Summary **

1. Charity care (at cost)	$18,757,608
2. Bad debt (at cost)	$17,877,877
3. Government-sponsored health care (shortfall) - Unpaid cost of Medicare, MaineCare, and other hospital-specific indigent care programs	$31,869,262
4. Net Community Benefit Investment Programs (net expense), e.g.	$124,012,897

- Outpatient Clinics
- Uncompensated Care Drug Program
- Interpreter Services
- Patient Navigators
- Tutoring
- Northern New England Poison Center

Total Value of Quantifiable Benefits Provided to the Community	**$192,517,644**

**** Form created based on AHA guidelines**