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Part III

Statement of Program Service Accomplishments

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

1

Briefly describe the organization’s mission

Weeks Medical Center's compassionate staff is committed to providing high quality and efficient health care services to ensure the well-being of our patients, families and communities

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

YesNo

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?

YesNo

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 \$ 36,204,836 including grants of \$) (Revenue \$ 41,972,943)

Health care services to individuals in the surrounding region on an Inpatient & Outpatient basis, which includes Hospital Services, Physician Office services and Home Health & Hospice services

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4d

Other program services (Describe in Schedule O)
























(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses ▶ 36,204,836

Part IV

Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II 	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III 	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21 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	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10 Yes	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, 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	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a Yes	
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	No
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	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II 	18 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? <i>If "Yes," complete Schedule I, Parts I and II</i>	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? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
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? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	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? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 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.	39	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	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	410
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	No
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.		3b	
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	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year.		7d	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f	No
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8	
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?		9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?		9b	
10 Section 501(c)(7) organizations. Enter			
a Initiation fees and capital contributions included on Part VIII, line 12.		10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		10b	
11 Section 501(c)(12) organizations. Enter			
a Gross income from members or shareholders.		11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. 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	15	
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	12	
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	No
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	No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	8a	Yes
b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	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	No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	NH
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> 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	Scott W Howe 173 Middle Street Lancaster, NH (603) 788-4911

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			
(1) David Atkinson Vice Chair	1 00	X		X				0	0	0
(2) Scott Burns Trustee	1 00	X						0	0	0
(3) George Cook Trustee	1 00	X						0	0	0
(4) Dennis Couture Trustee	1 00	X						0	0	0
(5) Donald Crane Secretary	1 00	X		X				0	0	0
(6) Sarah Desrochers Trustee	1 00	X						0	0	0
(7) Charlie Fitch Trustee	1 00	X						0	0	0
(8) Stanley Holz Treasurer	1 00	X		X				0	0	0
(9) Patrick Kelly Trustee	1 00	X						0	0	0
(10) Patsy Pilgrim Trustee	1 00	X						0	0	0
(11) Lisa Tetreault Chair	1 00	X		X				0	0	0
(12) Keith Young Trustee	1 00	X						0	0	0
(13) Scott Howe CEO	40 00	X		X				219,346	0	29,670
(14) Lars Nielson CMO	40 00	X		X				309,876	0	34,374
(15) John Ford MD Medical Staff President	40 00	X						355,942	0	21,720
(16) Ernest Angelicola Past Trustee	1 00	X						0	0	0
(17) Celeste Pitts CFO	40 00			X				130,941	0	14,491

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			
(18) Paul Kamins MD Physician	40 00					X		433,298	0	34,099
(19) Mark Morgan MD Physician	36 00					X		403,294	0	34,657
(20) David Pelkowski Physician	41 00					X		383,446	0	37,153
(21) Walter Voigt MD Physician	40 00					X		341,062	0	34,387
(22) Maude Keeshin Physician	40 00					X		341,046	0	34,627

1b	Sub-Total	▶			
c	Total from continuation sheets to Part VII, Section A	▶			
d	Total (add lines 1b and 1c)	▶	2,918,251	0	275,178

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▶35

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

Section B. Independent Contractors

1

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

(A) Name and business address	(B) Description of services	(C) Compensation
Daniel Hebert Inc 12 Pleasant St Colebrook NH 03576	Labor on Building Project	1,807,046
Kingdom Emergency 815 North Kirby Road Lyndonville VT 35851	Emergency Room Physician Coverage	1,596,257
American Health Center Inc 100 Griffin Road Unit C Portsmouth NH 03801	Mobile MRI/Nuclear Medicine	334,427
American Healthcare Services Association PO Box 945 Traverse City MI 49685	Travel/Contract Labor	265,929
Virtual Radiologic Corp 25983 Network Place Chicago IL 60673	Teleradiology Services	242,489

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 ▶11

Part VIII

Statement of Revenue

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

				(A)	(B)	(C)	(D)
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c	15,559			
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	138,960			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	417,462			
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		571,981			
Program Service Revenue			Business Code				
	2a	Patient Service	621400	73,571,456	73,571,456		
	b	Miscellaneous	621400	1,584,801	1,584,801		
	c	Meaningful Use	621400	1,131,282	1,131,282		
	d	Provision for bad debts	621400	-2,114,609	-2,114,609		
	e	Charity Care	621400	-2,973,234	-2,973,234		
	f	All other program service revenue		-29,226,753	-29,226,753		
	g	Total. Add lines 2a-2f		41,972,943			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		398,436			398,436
	4	Income from investment of tax-exempt bond proceeds . .					
	5	Royalties					
	6a	(i) Real					
		(ii) Personal					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7a	(i) Securities					
		(ii) Other					
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)		5,341			5,341
	8a	Gross income from fundraising events (not including \$ 15,559 of contributions reported on line 1c) See Part IV, line 18 . . .					
	a	15,334					
	b	Less direct expenses					
	c	Net income or (loss) from fundraising events . .		-663			-663
	9a	Gross income from gaming activities See Part IV, line 19					
a							
b	Less direct expenses						
c	Net income or (loss) from gaming activities . .						
10a	Gross sales of inventory, less returns and allowances						
a							
b	Less cost of goods sold						
c	Net income or (loss) from sales of inventory . .						
Miscellaneous Revenue		Business Code					
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d						
12	Total revenue. See Instructions		42,948,038	41,972,943	0	403,114	

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.				
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.	1,116,360		1,116,360	
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.	20,391,828	18,008,495	2,383,333	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	479,673	425,038	54,635	
9	Other employee benefits.	2,716,669	2,348,059	368,610	
10	Payroll taxes.	1,330,788	1,119,459	211,329	
11	Fees for services (non-employees):				
a	Management.	472,770	92,798	379,972	
b	Legal.	31,460		31,460	
c	Accounting.	60,835		60,835	
d	Lobbying.				
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	40,175		40,175	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	4,678,004	4,514,613	163,391	
12	Advertising and promotion.	111,693		95,518	16,175
13	Office expenses.	356,030	78,877	277,153	
14	Information technology.	622,726		622,726	
15	Royalties.				
16	Occupancy.	837,675	793,555	44,120	
17	Travel.	174,904	161,979	12,925	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	40,362	34,688	5,674	
20	Interest.	458,132	458,132		
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	2,536,594	2,536,594		
23	Insurance.	328,563	147,790	180,773	
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	Patient Care Supplies	4,643,739	4,643,344	395	
b	MET Taxes	1,330,368		1,330,368	
c	Miscellaneous	1,135,956	841,415	294,541	
d					
e	All other expenses				
25	Total functional expenses. Add lines 1 through 24e.	43,895,304	36,204,836	7,674,293	16,175
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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X

Balance Sheet

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

☐

				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		30	1	50
	2	Savings and temporary cash investments		3,630,327	2	5,593,261
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		6,116,902	4	7,294,702
	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			7	
	8	Inventories for sale or use		783,723	8	785,686
	9	Prepaid expenses and deferred charges		235,949	9	500,860
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a38,711,014			
	b	Less accumulated depreciation	10b22,685,813	17,469,737	10c	16,025,201
	11	Investments—publicly traded securities		12,774,887	11	13,833,471
	12	Investments—other securities See Part IV, line 11			12	985
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		1,169,649	15	120,125
	16	Total assets. Add lines 1 through 15 (must equal line 34)		42,181,204	16	44,154,341
Liabilities	17	Accounts payable and accrued expenses		4,480,437	17	3,455,266
	18	Grants payable			18	
	19	Deferred revenue		1,708,894	19	1,669,231
	20	Tax-exempt bond liabilities		9,400,000	20	9,080,500
	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			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		910,206	25	3,938,883
	26	Total liabilities. Add lines 17 through 25		16,499,537	26	18,143,880
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		24,131,764	27	24,416,246
	28	Temporarily restricted net assets		561,889	28	606,201
	29	Permanently restricted net assets		988,014	29	988,014
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		25,681,667	33	26,010,461
	34	Total liabilities and net assets/fund balances		42,181,204	34	44,154,341

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	42,948,038
2	Total expenses (must equal Part IX, column (A), line 25)	2	43,895,304
3	Revenue less expenses Subtract line 2 from line 1	3	-947,266
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	25,681,667
5	Net unrealized gains (losses) on investments	5	995,784
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	280,276
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	26,010,461

Part XII Financial Statements and Reporting

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

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

SCHEDULE A
(Form 990 or 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 Weeks Medical Center	Employer identification number 02-0222242
--	--

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 33¹/₃% 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 33¹/₃% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated
- e

☐

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

☐

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

☐

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

(i)

A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii)

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

(iii)

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

☐

Provide the following information about the supported organization(s)

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of 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 IIISupport 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

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 Weeks Medical Center	Employer identification number 02-0222242
--	--

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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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															
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a If zero or less, enter -0-															
i Subtract line 1f from line 1c If zero or less, enter -0-															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No													

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 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)		(b)
		Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of a Volunteers? b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? c Media advertisements? d Mailings to members, legislators, or the public? e Publications, or published or broadcast statements? f Grants to other organizations for lobbying purposes? g Direct contact with legislators, their staffs, government officials, or a legislative body? h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? i Other activities? j Total Add lines 1c through 1i				
		No		
		No		
		No		
		No		
		No		
		No		
		No		
		No		
		Yes		10,698
				10,698
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).	2a	
a	Current year		
b	Carryover from last year		
c	Total		
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
Explanation of Lobbying Activities	Part II-B, Line 1	Weeks Medical Center is a member of the New Hampshire Hospital Association, the American Hospital Association, and the Rural Home Care Network. A portion of the dues paid to these organizations is available for lobbying expenditures on behalf of WMC and other member organizations in furtherance of their exempt purposes. WMC does not directly perform any lobbying activities.

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
Weeks Medical Center

Employer identification number
02-0222242

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds 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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

Part II

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or 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
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

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

► \$ _____

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

Cat No 52283D

Schedule D (Form 990) 2012

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
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part 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	1,131,612	1,031,277	1,662,763	1,591,035
b	Contributions		46,100	5,000	
c	Net investment earnings, gains, and losses	12,908	29,235	-67,822	118,038
d	Grants or scholarships				
e	Other expenditures for facilities and programs		-25,000	568,664	46,310
f	Administrative expenses				
g	End of year balance	1,144,520	1,131,612	1,031,277	1,662,763

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

86 330 %

c

Temporarily restricted endowment

13 670 %

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

(i)

unrelated organizations

3a(i)

☐ Yes

☐ No

(ii)

related organizations

3a(ii)

☐ Yes

☐ 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		462,709		462,709
b Buildings		13,154,848	7,327,252	5,827,596
c Leasehold improvements				
d Equipment		23,873,184	15,019,111	8,854,073
e Other		1,220,273	339,450	880,823
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				16,025,201

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	44,199,920
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	995,784
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	296,273
e	Add lines 2a through 2d	2e	1,292,057
3	Subtract line 2e from line 1	3	42,907,863
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	40,175
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	40,175
5	Total revenue Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)	5	42,948,038

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

1	Total expenses and losses per audited financial statements	1	43,871,126
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	15,997
e	Add lines 2a through 2d	2e	15,997
3	Subtract line 2e from line 1	3	43,855,129
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	40,175
b	Other (Describe in Part XIII)	4b	
c	Add lines 4a and 4b	4c	40,175
5	Total expenses Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)	5	43,895,304

Part XIII Supplemental Information

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

Identifier	Return Reference	Explanation
Part XI, Line 2d - Other Adjustments		Fundraising Expenses 15,997 Unrealized Gain on Interest Rate Swap 280,276
Part XII, Line 2d - Other Adjustments		Fundraising Expenses 15,997

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

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		Hospice Ball (event type)	(event type)	(total number)	(add col (a) through col (c))
Revenue	1	Gross receipts	30,893		30,893
	2	Less Contributions . . .	15,559		15,559
	3	Gross income (line 1 minus line 2)	15,334		15,334
Direct Expenses	4	Cash prizes			
	5	Noncash prizes . . .	7,050		7,050
	6	Rent/facility costs . . .			
	7	Food and beverages .	7,063		7,063
	8	Entertainment	1,500		1,500
	9	Other direct expenses .	384		384
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			
	11	Net income summary Combine line 3, column (d), and line 10 ▶			
					(15,997)
					-663

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			
	2	Cash prizes			
	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses . . .			
Direct Expenses	6	Volunteer labor			
	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
Weeks Medical Center

Employer identification number
02-0222242

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 <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> 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 <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>30000 0000000000 %</u> b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input checked="" type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ % 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"?	3a	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	4	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5a	Yes	
6a	Did the organization prepare a community benefit report during the tax year?	5b		No
b	If "Yes," did the organization make it available to the public?	5c		
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H	6a	Yes	
		6b	Yes	

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)			2,118,066	505,695	1,612,371	3 670 %
b Medicaid (from Worksheet 3, column a)			4,742,929	3,847,621	895,308	2 040 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			1,079,322	1,058,599	20,723	0 050 %
d Total Financial Assistance and Means-Tested Government Programs			7,940,317	5,411,915	2,528,402	5 760 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			689,908	45,332	644,576	1 470 %
f Health professions education (from Worksheet 5)			764,708	18,943	745,765	1 700 %
g Subsidized health services (from Worksheet 6)			3,996,215	3,597,162	399,053	0 910 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total. Other Benefits			5,450,831	3,661,437	1,789,394	4 080 %
k Total. Add lines 7d and 7j			13,391,148	9,073,352	4,317,796	9 840 %

Part II

Community Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing					
2	Economic development					
3	Community support		95,685		95,685	0 220 %
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building		79,311		79,311	0 180 %
7	Community health improvement advocacy		17,340		17,340	0 040 %
8	Workforce development					
9	Other					
10	Total		192,336		192,336	0 440 %

Part III

Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1

Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?

1

Yes

2

Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.

2

1,242,413

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

16,415,967

6

Enter Medicare allowable costs of care relating to payments on line 5.

6

19,786,433

7

Subtract line 6 from line 5. This is the surplus (or shortfall).

7

-3,370,466

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	Weeks Medical Center Hospital 173 Middle Street Lancaster, NH 03584	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)

Weeks Medical Center

Name of hospital facility or facility reporting group

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

1

		Yes	No
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 If "Yes," indicate what the CHNA report describes (check all that apply)	1	Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility			
b <input checked="" type="checkbox"/> Demographics of the community			
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d <input checked="" type="checkbox"/> How data was obtained			
e <input checked="" type="checkbox"/> The health needs of the community			
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs			
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests			
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs			
j <input type="checkbox"/> Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u>			
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		No
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5	Yes	
a <input checked="" type="checkbox"/> Hospital facility's website			
b <input checked="" type="checkbox"/> Available upon request from the hospital facility			
c <input type="checkbox"/> Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)			
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b <input checked="" type="checkbox"/> Execution of the implementation strategy			
c <input type="checkbox"/> Participation in the development of a community-wide plan			
d <input type="checkbox"/> Participation in the execution of a community-wide plan			
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans			
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA			
g <input checked="" type="checkbox"/> Prioritization of health needs in its community			
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i <input type="checkbox"/> Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	Yes	
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 <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>300 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>300 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes
a <input checked="" type="checkbox"/> Income level			
b <input checked="" type="checkbox"/> Asset level			
c <input checked="" type="checkbox"/> Medical indigency			
d <input type="checkbox"/> Insurance status			
e <input checked="" type="checkbox"/> Uninsured discount			
f <input checked="" type="checkbox"/> Medicaid/Medicare			
g <input checked="" type="checkbox"/> State regulation			
h <input type="checkbox"/> Other (describe in Part VI)			
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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website			
b <input type="checkbox"/> The policy was attached to billing invoices			
c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices			
e <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility			
f <input checked="" type="checkbox"/> The policy was available upon request			
g <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency			
b <input type="checkbox"/> Lawsuits			
c <input type="checkbox"/> Liens on residences			
d <input type="checkbox"/> Body attachments			
e <input type="checkbox"/> Other similar actions (describe in Part VI)			
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? If "Yes," check all actions in which the hospital facility or a third party engaged		17	No
a <input type="checkbox"/> Reporting to credit agency			
b <input type="checkbox"/> Lawsuits			
c <input type="checkbox"/> Liens on residences			
d <input type="checkbox"/> Body attachments			
e <input type="checkbox"/> Other similar actions (describe in Part VI)			

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

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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input checked="" type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> Other (describe in Part VI)		
21	During the tax year, did the hospital facility charge any FAP-eligible individuals to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI		No
22	During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI		No

Part V

Facility Information (continued)

Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

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

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

7

Name and address	Type of Facility (describe)
1Lancaster Physicians Offices 170 Middle Street Lancaster,NH 03584	Physician Office for primary care
2Weeks Home Health 278 Main Street Lancaster,NH 03584	Home Health & Hospice Services
3Whitefield Physicians Offices 8 Clover Lane Whitefield,NH 03598	Physician Office for primary care
4Groveton Physicians Offices 12 Church Street Groveton,NH 03582	Physician Office for primary care
5Weeks Home Health 120 Main Street Colebrook,NH 03576	Home Health & Hospice Services
6North Stratford Physician Offices 43 Main Street North Stratford,NH 03590	Physician Office for primary care
7Weeks Home Health 7 Page Hill Road Berlin,NH 03570	Home Health & Hospice Services
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
		Part I, Line 7 Cost to charge ratio
		Part I, Line 7g Chronic Disease Management, Emergency Department, Family Planning Program, Geriatric Psychiatrist, Psychiatric Consultations, Child Psychology Program

Identifier	ReturnReference	Explanation
		Part III, Line 4 Bad debt expense is described under Patient Accounts Receivable beginning on page 6 and in the third paragraph on page 12 of the Organization's attached financial statements
		Part III, Line 8 The entire shortfall is treated as community benefit Cost to charge ratio from the Medicare cost report was used

Identifier	ReturnReference	Explanation
		Part III, Line 9b All patients of Weeks Medical Center who have no insurance are notified of the Weeks Health Access Financial Assistance policy and encouraged to make an appointment with one of our Financial Counselors or Social Workers This information is given out, along with financial assistance applications, at the time of appointment and is also available on our web-site and is reiterated with our monthly statements sent to the patient It is impossible for our organization to determine if a patient is eligible for financial assistance until an application is filed - we do not access credit reports but rely on the patient supplying us with the necessary financial information At that time of application, if a patient is determined to be eligible, they are provided with free care
Weeks Medical Center		Part V, Section B, Line 3 Input from the community was gathered using two methods including interviews and a public survey Interviews of 36 individuals were conducted throughout the Weeks Medical Center primary service area The individuals included elected state legislators, town managers, police chiefs, long term care facilities, dental providers, public health network, FQHC, clergy, business and residents The group interviewed included 24 individuals that used Weeks Medical Center for medical care and 6 individuals that did not use Weeks Medical Center The survey was circulated in a number of methods including email to the school district employees, Weeks Medical Center employees and paper copies available in all of our offices for the public The surveys were completed by 224 individuals from across our communities

Identifier	ReturnReference	Explanation
Weeks Medical Center		Part V, Section B, Line 14g Brochures and financial counselor information are available in lobbies and handed out to patients Also, contact information for financial counselors is provided on bills and letters that go out
Weeks Medical Center		Part V, Section B, Line 18e Weeks Medical Center (The Organization) takes multiple steps to collect information which will allow the Organization to determine patient eligibility The Organization will send two letters offering Weeks Health Access, as well as, the screening and outreach up-front procedures for surgeries and large dollar accounts Additionally, the Organization will work with the patients to set-up payment plans and assist patients with programs which they may qualify for The Organization believes these steps to be a reasonable effort If a payment is not made, the Organization uses an outside agency to monitor payment plans and pursue payment or make payment arrangements The outside agency will place unpaid accounts on the patients credit file The Organization will look at unpaid accounts over \$10,000 with the collection agency and determine if litigation should be pursued

Identifier	ReturnReference	Explanation
		Part VI, Line 2 This past year, the Strategic Planning Committee conducted a community needs assessment The community needs have been identified and became part of the planning process whereby specific initiatives were defined based on priorities and institutional capacity The initiatives will become part of the overall 2014-2019 Strategic Plan The community health needs assessment is available on the Organization's website
		Part VI, Line 3 The staff is trained to discuss the Hospital's charity care policy with patients, the policy is available throughout the Hospital in the brochure and it is available on the Hospital's website WMC also employs a full-time financial counselor and other case management staff to assist patients with the financial assistance process

Identifier	ReturnReference	Explanation
		Part VI, Line 4 Weeks Medical Center's general geographic catchment area consists of nine towns, which supply almost 90% of its patients Towns include Lancaster, Groveton, Dalton, Whitefield, North Stratford, Jefferson and Stark, in New Hampshire, and Lunenburg, Guildhall and Gilman, in Vermont Together, these towns have a population of approximately 13,000 and cover approximately 375 square miles in both Vermont and New Hampshire Since the mergers of WMC's Home Health and Hospice with Upper Connecticut Valley Hospital's Home Health and Androscoggin Valley Hospital's Home Health, the service area for homecare services has expanded to include all of Coos County and some of Grafton County The expanded territory covers 1,800 square miles and 41,800 residents Weeks Medical Center is defined by the geographic communities that surround its facilities and by the individuals and groups who benefit from the health and wellness services provided by its various health related institutions The definition was developed by the Board of Trustees, its Committees, administrative and professional staff in the practical application of the services provided by the institutions and the identified needs of the communities served
		Part VI, Line 5 WMC plays an integral role in the Emergency Preparedness plans of our community We are the ones who staff the 911 emergency line and tone out the ambulance when needed In addition to being available in an emergency from a clinical standpoint, we are a large part of the community wide planning team, taking the lead in the planning of training & drills and bringing the various components together, based on State-wide standards

Identifier	ReturnReference	Explanation
Reports Filed With States	Part VI, Line 7	NH

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
Weeks Medical Center

Employer identification number
02-0222242

Part I

Questions Regarding Compensation

	Yes	No
<div><div>1a</div><div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items</div><div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div>		
<div><div>1b</div><div>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</div></div>		
<div><div>2</div><div>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?</div></div>		
<div><div>3</div><div>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</div><div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div><div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div></div>		
<div><div>4</div><div>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</div></div>		
<div><div>4a</div><div>Receive a severance payment or change-of-control payment?</div></div>		No
<div><div>4b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>		No
<div><div>4c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div>		No
<div><div></div><div>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</div></div>		
<div><div>5</div><div>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</div></div>		
<div><div>5a</div><div>The organization?</div></div>		No
<div><div>5b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>		No
<div><div>6</div><div>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</div></div>		
<div><div>6a</div><div>The organization?</div></div>		No
<div><div>6b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>		No
<div><div>7</div><div>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</div></div>		No
<div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III</div></div>		No
<div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</div></div>		

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Scott Howe	CEO	(i) 204,507 (ii) 0	(i) 0 (ii) 0	(i) 14,839 (ii) 0	(i) 6,862 (ii) 0	(i) 22,808 (ii) 0	(i) 249,016 (ii) 0	(i) 0 (ii) 0
(2) Lars Nielson	CMO	(i) 287,876 (ii) 0	(i) 0 (ii) 0	(i) 22,000 (ii) 0	(i) 7,350 (ii) 0	(i) 27,024 (ii) 0	(i) 344,250 (ii) 0	(i) 0 (ii) 0
(3) John Ford MD	Medical Staff President	(i) 338,942 (ii) 0	(i) 0 (ii) 0	(i) 17,000 (ii) 0	(i) 7,350 (ii) 0	(i) 14,370 (ii) 0	(i) 377,662 (ii) 0	(i) 0 (ii) 0
(4) Paul Kamins MD	Physician	(i) 410,798 (ii) 0	(i) 0 (ii) 0	(i) 22,500 (ii) 0	(i) 7,350 (ii) 0	(i) 26,749 (ii) 0	(i) 467,397 (ii) 0	(i) 0 (ii) 0
(5) Mark Morgan MD	Physician	(i) 386,294 (ii) 0	(i) 0 (ii) 0	(i) 17,000 (ii) 0	(i) 7,350 (ii) 0	(i) 27,307 (ii) 0	(i) 437,951 (ii) 0	(i) 0 (ii) 0
(6) David Pelkowski	Physician	(i) 378,839 (ii) 0	(i) 0 (ii) 0	(i) 4,607 (ii) 0	(i) 9,841 (ii) 0	(i) 27,312 (ii) 0	(i) 420,599 (ii) 0	(i) 0 (ii) 0
(7) Walter Voigt MD	Physician	(i) 334,043 (ii) 0	(i) 0 (ii) 0	(i) 7,019 (ii) 0	(i) 7,350 (ii) 0	(i) 27,037 (ii) 0	(i) 375,449 (ii) 0	(i) 0 (ii) 0
(8) Maude Keeshin	Physician	(i) 318,546 (ii) 0	(i) 0 (ii) 0	(i) 22,500 (ii) 0	(i) 7,350 (ii) 0	(i) 27,277 (ii) 0	(i) 375,673 (ii) 0	(i) 0 (ii) 0

Part III **Supplemental Information**

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

Identifier	Return Reference	Explanation
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Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Weeks Medical Center

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

Employer identification number

02-0222242

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 Business Finance Authority of the State of NH			09-01-2010	10,000,000	Refinance existing debt and finance the Hospital's contruction project		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired	919,500							
2	Amount of bonds legally defeased								
3	Total proceeds of issue	10,000,000							
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	112,960							
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds	9,887,040							
10	Capital expenditures from proceeds								
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2011							
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

					A		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						
2	Are there any lease arrangements that may result in private business use of bond-financed property?					X						

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	%		%		%		%	
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						
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						
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?								
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						

Part IV

Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X						
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X						
b	Exception to rebate?		X						
c	No rebate due?		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							
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								

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						
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X						
7	Has the organization established written procedures to monitor the requirements of section 148?		X						

Part V

Procedures To Undertake Corrective Action

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
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
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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
Weeks Medical Center

Employer identification number

02-0222242

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?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?	(i) Written agreement?	
			To	From			Yes	No		Yes	No
Total ▶ \$											

Part III Grants or Assistance Benefitting Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of 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) Cynthia Nielson	Spouse of Lars Nielson, CMO and Trustee	24,670	Lars Nielson, CMO and Trustee's spouse is employed and compensated as a registered nurse by the organization		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
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SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ****Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.**
▶ **Attach to Form 990 or 990-EZ.**

OMB No 1545-0047

2012**Open to Public
Inspection**Name of the organization
Weeks Medical Center**Employer identification number**

02-0222242

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 11	The Finance Committee reviews and approves the Form 990 and provides a copy to each member prior to submission
	Form 990, Part VI, Section B, line 12c	The organization requires the Board Members to review and sign a Conflict of Interest Policy annually. The organization also provides annual 990 questionnaires with several potential conflict situations discussed and distributed to the full Board every year at the time of the audit. Responses are sent directly to the audit firm. Any conflict discovered by the CPA's would be addressed by Hospital Management.
	Form 990, Part VI, Section B, line 15	The CEO's compensation is determined by the Compensation Committee of the Board, a written employment contract, a state compensation survey and approval of the full Board and Compensation Committee. Other officers have their compensation determined through a state compensation survey, along with approval of the CEO.
	Form 990, Part VI, Section C, line 19	The organization makes its governing documents, conflict of interest policy, and financial statements available to the public upon request.
Other Fees	Form 990, Part IX, line 11g	Other Fees: Program service expenses 4,514,613; Management and general expenses 163,391; Fundraising expenses 0; Total expenses 4,678,004.
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 9	Unrealized Gain on Interest Rate Swap 280,276

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
Weeks Medical Center

Employer identification number
02-0222242

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)					
(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)							
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No

Part III

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) Northern NH Healthcare Management LLC 59 Paige Hill Road Berlin, NH 035703542 45-5617105	Health Care Collaborative	NH		Related				No		Yes		33.330 %

Part IV

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

Part V

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

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

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

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

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

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

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

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

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

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

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

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

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

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

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

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

Yes

No

1a

No

1b

No

1c

No

1d

Yes

1e

No

1f

No

1g

No

1h

No

1i

No

1j

No

1k

No

1l

No

1m

No

1n

No

1o

Yes

1p

No

1q

No

1r

No

1s

No

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Northern New Hampshire Healthcare Management LLC	0	61,792	FMV

Schedule R (Form 990) 2012

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

[illegible]

Software ID:
Software Version:
EIN: 02-0222242
Name: Weeks 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	
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Weeks Medical Center

FINANCIAL STATEMENTS

September 30, 2013 and 2012

With Independent Auditor's Report



WEEKS MEDICAL CENTER
September 30, 2013 and 2012

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Weeks Medical Center

We have audited the accompanying financial statements of Weeks Medical Center (the Hospital), which comprise the balance sheets as of September 30, 2013 and 2012, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Weeks Medical Center as of September 30, 2013 and 2012, and the results of its operations, changes in its net assets and its cash flows for the years then ended, in accordance with U S generally accepted accounting principles.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
December 19, 2013

WEEKS MEDICAL CENTER

Balance Sheets

September 30, 2013 and 2012

ASSETS

	<u>2013</u>	<u>2012</u>
Current assets		
Cash	\$ 4,275,053	\$ 2,546,377
Patient accounts receivable, net of allowances of \$5,325,897 and \$4,989,273 in 2013 and 2012, respectively	5,218,935	4,958,306
Other accounts receivable	2,075,767	1,158,596
Supplies	785,686	783,723
Prepaid expenses	<u>500,860</u>	<u>235,949</u>
Total current assets	12,856,301	9,682,951
Investments	15,152,714	13,858,867
Property and equipment, net	16,025,201	17,469,737
Deferred financing costs, net	<u>120,125</u>	<u>127,226</u>
 Total assets	 <u>\$ 44,154,341</u>	 <u>\$ 41,138,781</u>

The accompanying notes are an integral part of these financial statements

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
Current liabilities		
Current portion of long-term debt	\$ 348,973	\$ 340,653
Accounts payable and accrued expenses	1,062,684	2,261,531
Accrued salaries, wages and related accounts	2,392,582	2,218,906
Deferred revenue	1,669,231	430,596
Estimated third-party payor settlements	<u>3,327,556</u>	<u>235,875</u>
Total current liabilities	8,801,026	5,487,561
Long-term debt, less current portion	8,760,072	9,106,495
Interest rate swap	<u>582,782</u>	<u>863,058</u>
Total liabilities	<u>18,143,880</u>	<u>15,457,114</u>
Commitments and contingencies (Notes 4, 7, and 14)		
Net assets		
Unrestricted	24,416,246	24,131,764
Temporarily restricted	606,201	561,889
Permanently restricted	<u>988,014</u>	<u>988,014</u>
Total net assets	<u>26,010,461</u>	<u>25,681,667</u>
Total liabilities and net assets	<u>\$ 44,154,341</u>	<u>\$ 41,138,781</u>

WEEKS MEDICAL CENTER

Statements of Operations

Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Unrestricted revenues, gains, and other support		
Patient service revenue (net of contractual allowances and discounts)	\$ 41,371,469	\$ 41,352,770
Provision for bad debts	<u>2,114,609</u>	<u>2,009,760</u>
Net patient service revenue	39,256,860	39,343,010
Net assets released from restrictions used for operations	94,605	84,822
Other operating revenue	<u>3,174,721</u>	<u>1,768,133</u>
Total unrestricted revenues, gains and other support	<u>42,526,186</u>	<u>41,195,965</u>
Expenses		
Salaries and wages	15,835,382	15,578,361
Employee benefits	4,627,384	4,533,779
Physician salaries and fees	8,092,709	7,024,032
Medicaid enhancement tax	1,330,368	1,306,776
Contract labor	891,007	402,577
Medical supplies	4,412,934	4,226,956
Other supplies and services	4,614,505	4,662,087
Utilities	743,548	830,462
Insurance	328,563	292,002
Depreciation and amortization	2,536,594	2,377,919
Interest	<u>458,132</u>	<u>475,183</u>
Total expenses	<u>43,871,126</u>	<u>41,710,134</u>
Operating loss	<u>(1,344,940)</u>	<u>(514,169)</u>
Nonoperating gains (losses)		
Contributions	6,457	47,424
Investment income, net	1,315,687	1,601,625
Unrealized gain (loss) on interest rate swap	<u>280,276</u>	<u>(41,020)</u>
Total nonoperating gains	<u>1,602,420</u>	<u>1,608,029</u>
Excess of revenues, gains, and other support over expenses and losses	257,480	1,093,860
Net assets released from restrictions for capital acquisitions	<u>27,002</u>	<u>42,198</u>
Increase in unrestricted net assets	284,482	1,136,058
Unrestricted net assets, beginning of year	<u>24,131,764</u>	<u>22,995,706</u>
Unrestricted net assets, end of year	\$ <u>24,416,246</u>	\$ <u>24,131,764</u>

The accompanying notes are an integral part of these financial statements

WEEKS MEDICAL CENTER
Statement of Changes in Net Assets
Years Ended September 30, 2013 and 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Balances, October 1, 2011	\$ <u>22,995,706</u>	\$ <u>569,450</u>	\$ <u>916,914</u>	\$ <u>24,482,070</u>
Excess of revenues, gains and other support over expenses and losses	1,093,860	-	-	1,093,860
Change in net unrealized gains on investments	-	30,835	-	30,835
Restricted investment income	-	20,258	-	20,258
Restricted contributions	-	93,366	46,100	139,466
Net assets released from restrictions used for operations	-	(84,822)	-	(84,822)
Net assets released from restrictions for capital acquisitions	42,198	(42,198)	-	-
Reclassification based on donor intent	<u>-</u>	<u>(25,000)</u>	<u>25,000</u>	<u>-</u>
Change in net assets	<u>1,136,058</u>	<u>(7,561)</u>	<u>71,100</u>	<u>1,199,597</u>
Balances, September 30, 2012	<u>24,131,764</u>	<u>561,889</u>	<u>988,014</u>	<u>25,681,667</u>
Excess of revenues, gains and other support over expenses and losses	257,480	-	-	257,480
Change in net unrealized gains on investments	-	14,686	-	14,686
Restricted investment income	-	21,059	-	21,059
Restricted contributions	-	130,174	-	130,174
Net assets released from restrictions used for operations	-	(94,605)	-	(94,605)
Net assets released from restrictions for capital acquisitions	<u>27,002</u>	<u>(27,002)</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>284,482</u>	<u>44,312</u>	<u>-</u>	<u>328,794</u>
Balances, September 30, 2013	<u>\$ 24,416,246</u>	<u>\$ 606,201</u>	<u>\$ 988,014</u>	<u>\$ 26,010,461</u>

The accompanying notes are an integral part of these financial statements

WEEKS MEDICAL CENTER

Statements of Cash Flows

Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities		
Change in net assets	\$ 328,794	\$ 1,199,597
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	2,536,594	2,377,919
(Gain) loss on sale of equipment	(7,954)	3,746
Provision for bad debts	2,114,609	2,009,760
Realized and unrealized gains on investments	(993,171)	(1,277,285)
Unrealized (gain) loss on interest rate swap	(280,276)	41,020
(Increase) decrease in		
Patient accounts receivable	(2,375,238)	(2,307,600)
Other accounts receivable	(917,171)	(168,762)
Supplies	(1,963)	26,722
Prepaid expenses	(264,911)	(64,902)
Estimated third-party payor settlements	-	(748,467)
Increase (decrease) in		
Accounts payable and accrued expenses	(1,198,847)	378,161
Accrued salaries, wages and related accounts	173,676	185,037
Deferred revenue	1,238,635	1,278,515
Estimated third-party settlements	<u>3,091,681</u>	<u>-</u>
Net cash provided by operating activities	<u>3,444,458</u>	<u>2,933,461</u>
Cash flows from investing activities		
Proceeds from sale of equipment	26,482	7,800
Purchases of property and equipment	(1,103,485)	(3,319,537)
Proceeds from sales of investments	3,951,091	3,180,018
Purchase of investments	<u>(4,251,767)</u>	<u>(3,558,444)</u>
Net cash used by investing activities	<u>(1,377,679)</u>	<u>(3,690,163)</u>
Cash flows from financing activities		
Repayments of long-term debt	<u>(338,103)</u>	<u>(415,279)</u>
Net cash used by financing activities	<u>(338,103)</u>	<u>(415,279)</u>
Net increase (decrease) in cash	1,728,676	(1,171,981)
Cash, beginning of year	<u>2,546,377</u>	<u>3,718,358</u>
Cash, end of year	<u>\$ 4,275,053</u>	<u>\$ 2,546,377</u>
Supplemental disclosure of cash flow information		
Cash paid for interest	<u>\$ 458,132</u>	<u>\$ 475,183</u>

The accompanying notes are an integral part of these financial statements

WEEKS MEDICAL CENTER

Notes to Financial Statements

September 30, 2013 and 2012

Nature of Operations

Weeks Medical Center (the Hospital), a New Hampshire not-for-profit corporation, provides medical services on an inpatient and outpatient basis in Northern New Hampshire. New England Alliance for Health (NEAH) was formed, effective January 1, 2009, which is a limited liability company owned and managed by Mary Hitchcock Memorial Hospital. NEAH is an alliance of healthcare providers, that provides services to its members. NEAH is not a parent organization of the Hospital and, as such, does not have powers reserved to it. The accompanying financial statements represent only the accounts of the Hospital and not those of NEAH.

1. Summary of Significant Accounting Policies

Basis of Financial Statement Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under FASB ASC 958, all not-for-profit organizations are required to provide a balance sheet, a statement of operations and a statement of cash flows.

ASC 958 also requires that the amounts for each of the three classes of net assets - permanently restricted, temporarily restricted, and unrestricted - be displayed in a balance sheet and that the change in those classes of net assets be displayed in a statement of operations.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash in banks and certificates of deposit with an original maturity of three months or less, excluding amounts whose use is limited by Board designation or amounts included in investments for temporarily and permanently restricted net assets.

Patient Accounts Receivable

Patient accounts receivable are carried at the amount management expects to collect from outstanding balances.

WEEKS MEDICAL CENTER

Notes to Financial Statements

September 30, 2013 and 2012

Patient receivables are periodically evaluated for collectibility based on credit history and current financial condition. Provisions for losses on receivables are determined on the basis of loss experience, known and inherent risks, estimated value of collateral and current economic conditions. The Hospital uses the allowance method to account for uncollectible accounts receivable.

In evaluating the collectibility of accounts receivable, the Hospital analyzes past results and identifies trends for each major payor source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts and the provision for bad debts. Data in each major payor source are regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to patients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established at varying levels based on the age of the receivables and the payor source. For receivables relating to self-pay patients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of patients to pay amounts for which they are financially responsible. Actual write-offs are charged against the allowance for doubtful accounts.

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheet. Management has adopted FASB ASC 825-35-4 and has elected the fair value option relative to its investments which consolidates all investment performance activity within the nonoperating gains (losses) section of the statements of operations.

Temporarily donor-restricted investment income and gains (losses) on investments on donor-restricted investments are recorded within temporarily restricted net assets until expended in accordance with the donor's restrictions.

Donor-Restricted Gifts

Unconditional promises to give cash and other assets to the Hospital are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the conditions on which they depend are substantially met. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When donor restrictions expire, 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 statements of operations as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

WEEKS MEDICAL CENTER

Notes to Financial Statements

September 30, 2013 and 2012

Supplies

Supplies are carried at the lower of cost (determined by the first-in, first-out method) or market

Property and Equipment

Property and equipment acquisitions are recorded at cost, or if contributed, at fair market value determined at the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the asset's estimated useful life. Such amortization is included in depreciation and amortization in the financial statements. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

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

Deferred Financing Costs

Deferred financing costs represent costs incurred in connection with the issuance of long-term debt. Such costs are amortized over the term of the respective debt using the straight-line method. Deferred financing costs are recorded net of accumulated amortization of \$39,424 and \$32,323 as of September 30, 2013 and 2012, respectively.

Interest Rate Swap

The Hospital uses an interest rate swap contract to eliminate the cash flow exposure of interest rate movements on variable-rate debt. The Hospital has adopted FASB ASC 815, *Derivatives and Hedging*, to account for its interest rate swap contracts. The interest rate swap contracts are not designated as cash flow hedges, and thus are included within nonoperating gains (losses).

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Hospital have been limited by donors to a specific time period or purpose. 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 statements of operations as either net assets released from restrictions for operations or net assets released from restrictions used for capital acquisition.

WEEKS MEDICAL CENTER

Notes to Financial Statements

September 30, 2013 and 2012

Nonoperating Gains (Losses)

Activities, other than in connection with providing health care services, are considered nonoperating. Nonoperating gains and losses consist primarily of income on invested funds, unrestricted gifts, and unrealized loss on interest rate swap.

Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contribution. An allowance for uncollectible contributions receivable is provided based upon management's judgment of potential defaults. The determination includes such factors as prior collection history, type of contribution and nature of fund raising activity.

Net Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges and per diem rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined. Management believes that adequate provision has been made for adjustments that may result from final determination of amounts earned under these programs.

Excess of Revenues, Gains and Other Support Over Expenses and Losses

The statements of operations include excess of revenues, gains, and other support over expenses and losses. Changes in unrestricted net assets which are excluded from this measure, consistent with industry practice, are assets released from restrictions for capital acquisitions.

Charity Care

The Hospital provides care, without charge or at amounts less than its established rates, to patients who meet certain criteria under its charity care policy. The criteria for charity care consider such factors as family income and net worth. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

Income Taxes

The Hospital is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code, and is exempt from federal income taxes on related income.

WEEKS MEDICAL CENTER

Notes to Financial Statements

September 30, 2013 and 2012

Subsequent Events

Management has considered transactions or events through December 19, 2013, which was the date the financial statements were issued. Management has not considered transactions or events subsequent to this date for inclusion in the financial statements.

Reclassifications

Certain reclassifications have been made to the 2012 financial statements to conform to the 2013 presentation.

2. Net Patient Service Revenue and Patient Accounts Receivable

Net Patient Service Revenue

Patient service revenue is reported net of contractual allowances and other discounts as follows for the years ended September 30:

	<u>2013</u>	<u>2012</u>
Gross patient service revenue	\$ 73,571,456	\$ 67,497,593
Less contractual allowances	(29,226,753)	(23,138,715)
Less charity care	<u>(2,973,234)</u>	<u>(3,006,108)</u>
Patient service revenue (net of contractual allowances and discounts)	41,371,469	41,352,770
Less provision for bad debts	<u>2,114,609</u>	<u>2,009,760</u>
Net patient service revenue	\$ <u>39,256,860</u>	\$ <u>39,343,010</u>

Patient Accounts Receivable

Patient accounts receivable is stated net of estimated contractual allowances and allowances for doubtful accounts as of September 30:

	<u>2013</u>	<u>2012</u>
Gross patient accounts receivable	\$ 10,544,832	\$ 9,947,579
Less Estimated contractual allowances	3,033,279	2,939,998
Estimated allowance for doubtful accounts and charity care	<u>2,292,618</u>	<u>2,049,275</u>
Net patient accounts receivable	\$ <u>5,218,935</u>	\$ <u>4,958,306</u>

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Estimated allowance for doubtful accounts at September 30

	<u>2013</u>	<u>2012</u>
Self-pay patients	\$ 752,954	\$ 728,145
All other payors	<u>316,155</u>	<u>254,828</u>
	<u>\$ 1,069,109</u>	<u>\$ 982,973</u>

During 2013, self-pay write-offs decreased from \$2,573,920 to \$2,289,613. Such decreases resulted from trends experienced in the collection of amounts from self-pay patients and third-party payors.

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

Medicare

The Hospital is a Critical Access Hospital (CAH). Under the CAH program, the Hospital is reimbursed at 101% of allowable costs for its inpatients and most outpatient services provided to Medicare patients. The Hospital is reimbursed at tentative rates with final determination after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's Medicare cost reports have been audited by the fiscal intermediary through September 30, 2008. The Hospital's home health program is reimbursed at prospective rates based on a 60-day episode of care. The prospective rates are not subject to retroactive cost reimbursement.

Medicaid

Inpatient services rendered to Medicaid program beneficiaries are reimbursed under prospectively determined per-diem rates. The prospectively determined per-diem rates are not subject to retroactive adjustment. Outpatient services rendered to Medicaid beneficiaries are reimbursed on a cost reimbursement methodology and a national fee schedule for certain services. The Hospital is reimbursed for outpatient services at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the fiscal intermediary. The Hospital's Medicaid cost reports have been audited by the fiscal intermediary through September 30, 2008.

Anthem

Inpatient and outpatient services rendered to Anthem subscribers are reimbursed based on standard charges less a negotiated discount, except for lab and radiology services which are reimbursed on fee schedules.

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The Hospital has also entered into payment agreements with certain commercial insurance carriers and health maintenance organizations. The basis for payment to the Hospital under these agreements includes prospectively determined rates, discount from charges and prospectively determined daily rates.

Revenue from the Medicare and Medicaid programs accounted for approximately 55% and 9%, respectively, of the Hospital's net patient service revenue for the year ended 2013, and 53% and 10%, respectively, of the Hospital's net patient service revenue for the year ended 2012. Laws and regulations governing the Medicare and Medicaid programs are extremely 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. Net patient service revenue decreased approximately \$1,300,000 in 2013 and increased approximately \$4,500 in 2012, due to differences in settlements from amounts previously estimated.

The Hospital recognizes patient service revenue relating to services rendered to patients having third-party payor coverage on the basis of contractual rates for such services. For services rendered to self-pay or uninsured patients, revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay patients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Patient service revenue, net of contractual allowances and discounts, but before the provision for bad debts, recognized during 2013 totaled \$41,371,469, of which \$36,143,627 was revenue from third-party payors and \$5,227,842 was revenue from self-pay patients. Patient service revenue, net of contractual allowances and discounts, but before the provision for bad debts, recognized during 2012 totaled \$41,352,770, of which \$36,171,428 was revenue from third-party payors and \$5,181,342 was revenue from self-pay patients.

3. Community Benefit

The Hospital provides services without charge or at amounts less than the established rates, to parties who meet the criteria of its charity care policy. The criteria for charity care measures family income against the income poverty guidelines established by the Department of Health and Human Services (DHHS).

Discounts are provided on a sliding scale based on the relationship of family size and income level against the income poverty guidelines established by DHHS and as set forth in the charity care policy.

The net cost of charity care provided was approximately \$1,773,000 and \$1,858,000 for the years ended September 30, 2013 and 2012, respectively. The total cost estimate is based on an overall cost to charge ratio applied against gross charity care charges. In 2013 and 2012, 4.0% and 4.5%, respectively, of all services as defined by percentage of gross revenue was provided on a charity care basis.

In 2013, of a total of 919 inpatients, 76 received their entire episode of service on a charity care basis. In 2012, of a total of 767 inpatients, 62 received their entire episode of service on a charity care basis.

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In 2013, of a total of 80,898 outpatients, 5,146 received their entire episode of service on a charity care basis. In 2012, of a total of 78,081 outpatients, 4,813 received their entire episode of service on a charity care basis.

4. Property and Equipment

The major categories of property and equipment are as follows:

	<u>2013</u>	<u>2012</u>
Land and improvements	\$ 975,177	\$ 975,177
Buildings	13,154,848	13,082,495
Fixed equipment - buildings and improvements	12,275,541	12,275,541
Fixed equipment - departmental	461,418	461,418
Major movable equipment	11,136,225	10,670,180
Construction in progress	<u>707,805</u>	<u>399,730</u>
	38,711,014	37,864,541
Less accumulated depreciation	<u>22,685,813</u>	<u>20,394,804</u>
	<u>\$ 16,025,201</u>	<u>\$ 17,469,737</u>

Construction in progress as of September 30, 2013 primarily consists of costs related to the various components of the Electronic Health Record project (Stage 2) and the Wound Care Center. The projects are expected to be substantially completed in fiscal year 2014 and the estimated costs to complete the projects are approximately \$1.6 million.

5. Investment and Investment Income

Investments consisted of the following as of September 30:

	<u>2013</u>	<u>2012</u>
Internally designated investments		
Cash and cash equivalents	\$ 1,092,419	\$ 1,083,980
Marketable equity securities	7,664,644	6,416,487
Bonds - government and corporate obligations	<u>4,923,827</u>	<u>4,899,509</u>
	<u>13,680,890</u>	<u>12,399,976</u>
Restricted investments		
Cash and cash equivalents	225,839	128,442
Certificate of deposit	327,280	327,280
Marketable equity securities	288,747	242,899
Bonds - government and corporate obligations	<u>629,958</u>	<u>760,270</u>
	<u>1,471,824</u>	<u>1,458,891</u>
	<u>\$ 15,152,714</u>	<u>\$ 13,858,867</u>

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Total investment return is comprised of the following for the years ended September 30

	<u>2013</u>	<u>2012</u>
Interest and dividend income		
Unrestricted	\$ 337,202	\$ 355,175
Temporarily restricted	21,059	20,258
Unrealized gains		
Unrestricted	981,098	1,241,108
Temporarily restricted	14,686	30,835
Realized gains (losses)		
Unrestricted	<u>(2,613)</u>	<u>5,342</u>
	<u>\$ 1,351,432</u>	<u>\$ 1,652,718</u>

Endowment

Return Objectives and Risk Parameters

The Hospital has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to 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 Hospital must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The Hospital expects its endowment funds, over time, to provide an average rate of return of approximately nine percent annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Hospital relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Hospital targets a diversified asset allocation that places a weighted ratio on equity-based and fixed income investments to achieve its long-term return objectives within prudent risk constraints.

Uniform Prudent Management of Institutional Funds Act

Effective July 1, 2008, the State of New Hampshire adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) enacted as Revised Statutes Annotated (RSA) Chapter 292-B. This RSA provides guidance and special rules for the management of endowment funds. Unexpended investment income on permanently restricted net assets is required to be reported as temporarily restricted net assets until expended.

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

	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Balances, October 1, 2011	\$ <u>114,363</u>	\$ <u>916,914</u>	\$ <u>1,031,277</u>
Investment return			
Investment income, net	(1,600)	-	(1,600)
Net appreciation (realized and unrealized)	<u>30,835</u>	<u>-</u>	<u>30,835</u>
Total investment return	<u>29,235</u>	<u>-</u>	<u>29,235</u>
Contributions	-	46,100	46,100
Reclassifications based on donor intent	<u>-</u>	<u>25,000</u>	<u>25,000</u>
Balances, September 30, 2012	<u>143,598</u>	<u>988,014</u>	<u>1,131,612</u>
Investment return			
Investment income, net	3,935	-	3,935
Net appreciation (realized and unrealized)	<u>8,973</u>	<u>-</u>	<u>8,973</u>
Total investment return	<u>12,908</u>	<u>-</u>	<u>12,908</u>
Balances, September 30, 2013	\$ <u>156,506</u>	\$ <u>988,014</u>	\$ <u>1,144,520</u>

6. Borrowings

Long-term debt consisted of the following as of September 30

	<u>2013</u>	<u>2012</u>
Business Finance Authority of the State of New Hampshire (Authority) variable rate (2.59% at September 30, 2013) Hospital Revenue Series 2010 Bonds due September 2030 Principal payments are due in annual installments, ranging from \$339,000 in 2014 to \$760,000 in 2030	\$ <u>9,080,500</u>	\$ <u>9,400,000</u>
Capital lease obligation, at 7.58%, due in 2016, collateralized by leased equipment	<u>28,545</u>	<u>47,148</u>
	<u>9,109,045</u>	<u>9,447,148</u>
Less current maturities	<u>348,973</u>	<u>340,653</u>
	\$ <u>8,760,072</u>	\$ <u>9,106,495</u>

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The bond agreements require that the Hospital meet certain covenants. As of September 30, 2013 and 2012, the Hospital was in compliance with these covenants.

Estimated maturities for long-term debt in subsequent fiscal years from September 30, 2013 are as follows:

	Long-Term Debt (Excluding Capital Lease Obligations)	Capital Lease Obligations
2014	\$ 339,000	\$ 11,856
2015	339,000	11,856
2016	390,000	8,090
2017	390,000	-
2018	417,000	-
Thereafter	<u>7,205,500</u>	<u>-</u>
	<u>\$ 9,080,500</u>	31,802
Less amounts representing interest		<u>3,257</u>
		<u>\$ 28,545</u>

Interest Rate Swap

In connection with the issuance of the 2005 bonds, the Hospital entered into three interest rate swap agreements to hedge the interest rate risk associated with the 2005 bonds. The swaps were retained subsequent to the refinancing in 2010. Under these agreements, the Hospital makes and receives payments based on the difference between the fixed-rate interest payments and the variable market-indexed payments. The notional amounts of the interest rate swaps outstanding totaled \$5,397,100 and \$5,532,200 at September 30, 2013 and 2012, respectively. The two interest rate swap agreements expiring on June 30, 2015 require the Hospital pay a fixed interest rate of 4.64% and 3.67% in exchange for a variable rate of USD-LIBOR-BBA and USD-BMA Municipal Swap Index, respectively. The interest rate swap agreement expiring on June 30, 2020 requires the Hospital pay a fixed interest rate of 3.84% in exchange for a variable rate of USD-BMA Municipal Swap Index.

The Hospital is required to include the fair value of the swap in the balance sheet, and annual changes, if any, in the fair value of the swap in the statement of operations. For example, during the Bonds' 20-year holding period, the annually calculated value of the swap will be reported as an asset if the interest rates increase above those in effect on the date the swap was entered into (and as an unrealized gain in the statements of operations), which will generally be indicative that the net fixed rate the Hospital is paying is below market expectations of rates during the remaining term of the swap. The swap will be reported as a liability (and as an unrealized loss in the statements of operations) if interest rates decrease below those in effect on the date the swap was entered into, which will generally be indicative that the net fixed rate the Hospital is paying on the

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swap is above market expectations of rates during the remaining term of the swap. These annual accounting adjustments of value changes in the swap transaction are non-cash recognition requirements, the net effect of which will be zero at the end of the swaps' terms. The Hospital retains the sole right to terminate the swap agreements should the need arise. The Hospital recorded the swaps at their liability position of \$582,782 and \$863,058 at September 30, 2013 and 2012, respectively.

7. Commitments and Contingencies

Liability Insurance Coverage

The Hospital insures its comprehensive general liability and professional liability exposures on a claims-made basis, including prior acts coverage, with a commercial carrier. The coverage is provided by primary and excess insurance policies subject to shared policy limits with other selected NEAH entities located in Massachusetts, New Hampshire and Vermont. The policies are renewable on an annual basis and have been renewed through September 30, 2014. All known significant asserted and unasserted claims alleging malpractice have been communicated to the insurer who is responsible for resolving the claim and the related costs of litigation.

GAAP requires the Hospital to accrue the ultimate cost of liability claims when the incident that gives rise to the claim occurs, without consideration of insurance recoveries. Expected recoveries are presented as a separate asset. The Hospital has evaluated its exposure to losses arising from potential claims and determined that no such accrual is necessary for the year ended September 30, 2013.

Health Insurance

In January 2008, the Hospital established an HMO medical plan and a high deductible health savings account (HSA) plan for their employees. The HSA is funded by the employees, and a deduction is available pre-tax through payroll. In order to assist employees with meeting this higher deductible, the Hospital also established a Health Reimbursement Account (HRA) which will reimburse employees for medical expenses incurred over their portion of the deductible, until the full deductible is met. If expenses over their portion of the deductible are not met by the employee, the HRA funds remain the property of the Hospital. All HSA funds contributed by the employee remain their property.

The HSA plan has a single person deductible of \$5,000, of which the Hospital would reimburse up to the last \$3,750 and a two person or family plan total deductible of \$10,000, of which the Hospital would reimburse up to the last \$7,500.

As of September 30, 2013 and 2012, a reserve was established in the amount of \$97,026 and \$215,254, respectively, to fund potential claims by employees who are eligible for reimbursement for their incurred deductible expenses through the HRA.

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Disproportionate Share Payments

Medicaid disproportionate share hospital (DSH) payments provide financial assistance to hospitals that serve a large number of low-income patients. The federal government distributes federal DSH funds to each state based on a statutory formula. The states, in turn, distribute their portion of the DSH funding among qualifying hospitals. The states are to use their federal DSH allotments to help cover costs of hospitals that provide care to low-income patients when those costs are not covered by other payors. The State of New Hampshire's plan for the distribution of DSH monies to the hospitals has not yet been approved by the Centers for Medicare and Medicaid Services (CMS). Amounts recorded by the Hospital are therefore subject to change.

8. Retirement Plan

The Hospital has a 403(b) tax sheltered annuity plan that covers substantially all full-time employees and part-time employees who work over 1,000 hours. Contributions are computed as a percentage of earnings and are funded as accrued. The pension plan expense for the years ended September 30, 2013 and 2012 was \$505,276 and \$493,793, respectively.

9. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or periods at September 30

	<u>2013</u>	<u>2012</u>
Indigent care	\$ 265,029	\$ 274,459
Health education	184,666	143,832
Endowment accumulated earnings	<u>156,506</u>	<u>143,598</u>
	<u>\$ 606,201</u>	<u>\$ 561,889</u>

Permanently restricted net assets are restricted to the following at September 30

	<u>2013</u>	<u>2012</u>
Investments to be held in perpetuity, the income from which is expendable to support health care services (reported as non-operating income)	<u>\$ 988,014</u>	<u>\$ 988,014</u>

During 2013 and 2012, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes of capital acquisitions, indigent care and health care education in the amounts of \$121,607 and \$127,020, respectively.

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10. Concentration of Credit Risk

The Hospital maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times during the year, the Hospital's cash in bank exceeded insured limits. The Hospital has not incurred any losses from uninsured cash in bank as of September 30, 2013.

The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at September 30, 2013 and 2012 was as follows:

	<u>2013</u>	<u>2012</u>
Medicare	39 %	42 %
Medicaid	12	6
Blue Cross/HMO	6	8
Other third-party payors	14	17
Patients	<u>29</u>	<u>27</u>
	<u>100 %</u>	<u>100 %</u>

11. Functional Expenses

The Hospital provides general health care services to residents within its geographic location. Expenses related to providing these services are as follows:

	<u>2013</u>	<u>2012</u>
Health care services	\$35,760,235	\$34,285,618
General and administrative	<u>8,110,891</u>	<u>7,424,516</u>
	<u>\$43,871,126</u>	<u>\$41,710,134</u>

12. Fair Value of Financial Instruments

The Hospital's financial instruments consist of cash and cash equivalents, marketable securities, trade accounts receivable and payable, estimated third-party payor settlements and long-term debt. The fair values of all financial instruments approximate their carrying values at September 30, 2013.

Fair Value Measurements

FASB ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB

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ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date

Level 2 - Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data

Level 3 - Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability

Assets and liabilities measured at fair value on a recurring basis are summarized below:

	<u>Fair Value Measurements at September 30, 2013</u>		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
	<u>Total</u>		
Assets			
Cash and cash equivalents	\$ 1,318,258	\$ 1,318,258	\$ -
Certificates of deposit	327,280	327,280	-
Marketable equity securities			
Materials	638,374	638,374	-
Industrials	1,452,472	1,452,472	-
Telecommunications	241,485	241,485	-
Consumer	2,046,063	2,046,063	-
Energy	745,207	745,207	-
Financial services	772,961	772,961	-
Health care	758,677	758,677	-
Information technology	982,725	982,725	-
Equity funds	216,726	216,726	-
Other	<u>98,701</u>	<u>98,701</u>	<u>-</u>
Total marketable equity securities	7,953,391	7,953,391	-
Corporate bonds	4,158,547	-	4,158,547
U S Treasury obligations and government securities	<u>1,395,238</u>	<u>1,395,238</u>	<u>-</u>
Total assets at fair value	<u>\$ 15,152,714</u>	<u>\$ 10,994,167</u>	<u>\$ 4,158,547</u>
Liabilities			
Interest rate swap	<u>\$ 582,782</u>	<u>\$ -</u>	<u>\$ 582,782</u>

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	<u>Fair Value Measurements at September 30, 2012</u>		
	<u>Total</u>	<u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
Assets			
Cash and cash equivalents	\$ 1,212,422	\$ 1,212,422	\$ -
Certificates of deposit	327,280	327,280	-
Marketable equity securities			
Materials	509,776	509,776	-
Industrials	1,111,540	1,111,540	-
Telecommunications	249,810	249,810	-
Consumer	1,723,356	1,723,356	-
Energy	638,184	638,184	-
Financial services	689,175	689,175	-
Health care	637,143	637,143	-
Information technology	834,358	834,358	-
Equity funds	198,713	198,713	-
Other	<u>67,331</u>	<u>67,331</u>	<u>-</u>
Total marketable equity securities	6,659,386	6,659,386	-
Corporate bonds	3,808,526	-	3,808,526
U S Treasury obligations and government securities	<u>1,851,253</u>	<u>1,851,253</u>	<u>-</u>
Total assets at fair value	<u>\$ 13,858,867</u>	<u>\$ 10,050,341</u>	<u>\$ 3,808,526</u>
Liabilities			
Interest rate swap	<u>\$ 863,058</u>	<u>\$ -</u>	<u>\$ 863,058</u>

The fair value for Level 2 assets is primarily based on market prices of comparable securities, interest rates, and credit risk. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

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13. Meaningful Use Revenues

The Medicare and Medicaid electronic health record (EHR) incentive programs provide a financial incentive for achieving "meaningful use" of certified EHR technology. The criteria for meaningful use will be staged in three steps from fiscal year 2012 through 2016. The meaningful use attestation is subject to audit by CMS in future years. As part of this process, a final settlement amount for the incentive payments could be established that differs from the initial calculation, and could result in return of a portion or all of the incentive payments received by the Hospital.

The Medicaid program will provide incentive payments to hospitals and eligible professionals as they adopt, implement, upgrade or demonstrate meaningful use in the first year of participation and demonstrate meaningful use for up to five remaining participation years.

During 2013 and 2012, the Hospital demonstrated meaningful use related to its certified EHR system, allowing the Hospital to be eligible to receive EHR incentive payments from Medicare and Medicaid. During 2013, the Hospital recorded meaningful use revenues of \$1,047,928 related to Medicare and \$83,354 related to Medicaid. During 2012, the Hospital recorded meaningful use revenues of \$26,258 related to Medicare and \$123,359 related to Medicaid.

As of September 30, 2013, the Hospital has recorded approximately \$1,165,000 in deferred revenue as the Hospital will recognize the Medicare incentive income over the useful life of the assets. This is included in deferred revenue. As of September 30, 2013, the Hospital had not received approximately \$1,172,000 of Medicare incentive payments, which is included in other accounts receivable. This amount was received in October 2013.

14. Related Party

As of July 1, 2012, the Hospital formed an LLC, Northern New Hampshire Healthcare Management (NNHHM), with Upper Connecticut Valley Hospital (UCVH), and Androscoggin Valley Hospital (AVH), to provide a vehicle for shared saving arrangements within Coos County. NNHHM currently provides management services for UCVH which consist of the Chief Administrative Officer (CAO) and Chief Financial Officer (CFO). The CAO position is paid through NNHHM effective January 1, 2013. The CFO position is shared with Weeks Medical Center, and is being compensated for these services based on the allocated salary and benefits of the personnel performing these services.

Effective July 19, 2013, AVH Home Health has joined with Weeks Home Health & Hospice, d/b/a Northwoods Home Health & Hospice. Ownership of the agency is currently under the Weeks umbrella.

As of April 10, 2013, the Hospital has formed a corporation, Northern New Hampshire Healthcare Collaborative, Inc. (the Corporation), with UCVH and AVH to provide a vehicle for shared ownership arrangements between three organizations. An application for tax-exempt status was filed with the IRS on July 9, 2013. To date, a determination has not been made. It is the intent of the three organizations to move Northwoods Home Health & Hospice into this new entity as of January 1, 2014.