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Form 990

Return of Organization Exempt From Income Tax

2012

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

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 10-01-2012, 2012, and ending 09-30-2013

B Check if applicable	C Name of organization The Norwalk Hospital Association		D Employer identification number 06-6068853
<input type="checkbox"/> Address change	Doing Business As		
<input type="checkbox"/> Name change			
<input type="checkbox"/> Initial return	Number and street (or P O box if mail is not delivered to street address)	Room/suite	E Telephone number (203) 852-2000
<input type="checkbox"/> Terminated	24 Stevens Street Suite		
<input type="checkbox"/> Amended return	City or town, state or country, and ZIP + 4		
<input type="checkbox"/> Application pending	Norwalk, CT 06850		G Gross receipts \$ 356,006,160
F Name and address of principal officer Daniel Debarba 24 Stevens Street Norwalk, CT 06850		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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

J Website: ► www.norwalkhospital.org

K Form of organization Corporation Trust Association Other ► L Year of formation 1893 M State of legal domicile CT

Part I Summary

1 Briefly describe the organization's mission or most significant activities
THE MISSION OF NORWALK HOSPITAL IS TO PROVIDE UNIQUELY EXCELLENT, INNOVATIVE AND COMPASSIONATE HEALTH CARE WITH EXCEPTIONAL OUTCOMES

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

3 Number of voting members of the governing body (Part VI, line 1a)	3	22
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	20
5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	2,169
6 Total number of volunteers (estimate if necessary)	6	426
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	3,053,352
b Net unrelated business taxable income from Form 990-T, line 34	7b	-1,029,547

Activities & Governance	Revenue	Prior Year	Current Year
		6,577,196	4,120,997
	8 Contributions and grants (Part VIII, line 1h)	371,139,088	343,278,008
	9 Program service revenue (Part VIII, line 2g)	4,649,560	2,326,994
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,719,656	2,933,358
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	385,085,500	352,659,357
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)		

Revenue	Expenses	Prior Year	Current Year
		6,428,040	7,902,784
8 Contributions and grants (Part VIII, line 1h)	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
9 Program service revenue (Part VIII, line 2g)	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	182,765,374	191,892,401
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	b Total fundraising expenses (Part IX, column (D), line 25)		
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	169,436,679	136,085,835
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	358,630,093	335,881,020
	19 Revenue less expenses Subtract line 18 from line 12	26,455,407	16,778,337

Expenses	Net Assets or Fund Balances	Beginning of Current Year	End of Year
		432,888,470	538,094,167
20 Total assets (Part X, line 16)	21 Total liabilities (Part X, line 26)	266,195,478	290,881,051
22 Net assets or fund balances Subtract line 21 from line 20		166,692,992	247,213,116

Part II Signature Block

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

Sign Here	Signature of officer		2014-08-08
	DANIEL DEBARBA PRESIDENT		Date
Type or print name and title			

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ► ERNST & YOUNG US LLP			Firm's EIN ►	
	Firm's address ► 1101 NEW YORK AVENUE NW WASHINGTON, DC 20005			Phone no (202) 327-7097	

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

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III **1 Briefly describe the organization's mission**

THE MISSION OF NORWALK HOSPITAL IS TO PROVIDE UNIQUELY EXCELLENT, INNOVATIVE AND COMPASSIONATE HEALTH CARE WITH EXCEPTIONAL OUTCOMES VISION NORWALK HOSPITAL WILL BE THE HOSPITAL OF CHOICE FOR PATIENTS, PHYSICIANS, AND HEALTH CARE PROFESSIONALS, RECOGNIZED FOR DELIVERING INNOVATIVE CLINICAL SERVICES WITH COMPASSION WE ARE GUIDED BY THESE VALUES PATIENT-CENTERED HONORING EACH INDIVIDUALS DIGNITY, PRIVACY, AND CONFIDENTIALITY, EMPOWERING PATIENTS AND THEIR FAMILIES AS PARTNERS IN THEIR CARE, FACILITATING SIMPLE, CONVENIENT WAYS FOR PATIENTS AND THEIR FAMILIES TO USE OUR PROGRAMS AND SERVICES EXCELLENCE SETTING THE HIGHEST STANDARDS FOR SAFETY, CLINICAL OUTCOMES AND PERSONAL SERVICE, AND CONTINUOUSLY MEASURING, MONITORING AND RAISING THOSE STANDARDS INNOVATION CONTINUOUSLY PIONEERING NEW AND BETTER WAYS TO DELIVER CARE, INCLUDING BRINGING STATE-OF-THE-ART TECHNOLOGY TO REAL-WORLD CARE DELIVERY, RESEARCH AND PREVENTION OF ILLNESS LEADERSHIP ATTRACTING AND DEVELOPING THROUGHOUT THE OR

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

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

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses \$ 38,268,551 Including grants of \$) (Revenue \$ 45,063,976)

WOMEN'S HEALTH ONE OF THE HOSPITAL'S PREMIER SIGNATURE CLINICAL PROGRAMS, OUR WOMEN'S AND CHILDREN'S SERVICES FEATURES A TOP NOTCH TEAM OF OBSTETRICIANS/GYNECOLOGISTS, PEDIATRICIANS, CERTIFIED NURSES MIDWIVES, PEDIATRIC HOSPITALISTS, NEONATOLOGISTS, PEDIATRIC SPECIALISTS, PHYSICIAN ASSISTANTS AND NURSES THIS TEAM'S COMPASSIONATE AND EXPERT CARE IS FURTHER ENHANCED BY THE ONSITE AVAILABILITY OF FULL-TIME PERINATOLOGISTS FROM YALE UNIVERSITY MEDICAL SCHOOL OUR OBSTETRICIANS AND CERTIFIED NURSE MIDWIVES DELIVER BABIES IN THE HOSPITAL'S MODERN, HOME-LIKE CHILDBIRTH CENTER THE CENTER FEATURES IN-SUITE AMENITIES, INCLUDING BEAUTIFUL SINGLE ROOMS WITH PRIVATE BATHS AND SHOWERS, MASSAGE THERAPY FOR INFANTS AND MOTHERS, WIRELESS INTERNET ACCESS AND FLAT-SCREEN TELEVISIONS FOR ADDITIONAL EXPERTISE, THE HOSPITAL ALSO PROVIDES PERINATOLOGY SERVICES, FOR HIGH-RISK PREGNANCY, AS WELL AS REPRODUCTIVE ENDOCRINOLOGY SERVICES IN ADDITION, ADVANCED, MINIMALLY INVASIVE ROBOTIC SURGERY FOR SEVERAL GYNECOLOGIC PROCEDURES, INCLUDING HYSTERECTOMIES, FIBROID REMOVAL, VAGINAL PROLAPSE CORRECTION, TO STOP MENORRHAGIA AND TO TREAT CERTAIN FORMS OF CERVICAL AND UTERINE CANCERS, ARE NOW AVAILABLE AT THE HOSPITAL WOMEN'S HEALTH HAD TOTAL INPATIENT DISCHARGES OF 3,046 FOR THE FISCAL YEAR ENDED 9/30/2013

4b (Code) (Expenses \$ 41,617,679 Including grants of \$) (Revenue \$ 41,340,352)

ORTHOPEDICS AND NEUROSPINE SERVICES NORWALK HOSPITAL PROVIDES COMPREHENSIVE, HIGH-QUALITY ORTHOPEDIC AND NEUROSPINE CARE TO RESIDENTS OF GREATER FAIRFIELD COUNTY, CONNECTICUT THROUGH AN EXPERT TEAM OF BOARD-CERTIFIED OR ELIGIBLE ORTHOPEDISTS AND NEUROSURGEONS WHO HAVE TRAINED AT SOME OF THE NATIONS MOST PRESTIGIOUS HOSPITALS AND MEDICAL SCHOOLS A SIGNATURE SERVICE, OUR ORTHOPEDIC AND NEUROSPINE PROGRAM FEATURES A COLLABORATIVE, TEAM APPROACH FOR THE EVALUATION, TREATMENT, AND REHABILITATION OF DISEASES AND CONDITIONS AFFECTING THE BONES, JOINTS, CARTILAGE, MUSCLES, TENDONS AND LIGAMENTS CLINICAL SERVICES PROVIDED INCLUDES ARTHRITIS & JOINT PAIN TREATMENT, FOOT AND ANKLE CARE, FRACTURE CARE, HAND AND UPPER EXTREMITY CARE, INCLUDING SHOULDER AND ELBOW REPLACEMENT SURGERY), JOINT REPLACEMENT (HIP & KNEE), SPINE SURGERY, SPORTS MEDICINE, TRAUMA CARE FOR ORTHOPEDIC INJURIES ORTHONEURO HAD TOTAL INPATIENT DISCHARGES OF 1,591 FOR THE FISCAL YEAR ENDED 9/30/2013

4c (Code) (Expenses \$ 35,347,384 Including grants of \$) (Revenue \$ 38,849,017)

GASTROENTEROLOGY & DIGESTIVE SERVICES NORWALK HOSPITAL IS NOTED FOR ITS ADVANCED GASTROENTEROLOGY PROGRAM, WHICH IS CONSIDERED TO BE A LEADING PROGRAM IN CONNECTICUT AS WELL AS IN NEARBY WESTCHESTER COUNTY, NEW YORK, FOR THE DIAGNOSIS AND TREATMENT OF A WIDE RANGE OF DIGESTIVE DISEASES AND CONDITIONS ONE OF THE HOSPITALS PREMIER SIGNATURE CLINICAL SERVICES, THIS PROGRAM FEATURES EXPERIENCED AND HIGHLY RESPECTED GASTROENTEROLOGISTS, ON THE NORWALK HOSPITAL MEDICAL STAFF, WHO SEE PATIENTS IN THEIR OFFICES THROUGHOUT LOWER FAIRFIELD COUNTY AS WELL AS AT THE HOSPITALS CENTER FOR DIGESTIVE DISEASES A KEY COMPONENT OF NORWALK HOSPITALS DIGESTIVE DISEASES SERVICE IS A COLORECTAL CANCER SCREENING PROGRAM COLORECTAL CANCERS ARE HIGHLY PREVENTABLE AND TREATABLE IF CAUGHT EARLY HEALTH EXPERTS RECOMMEND A SCREENING COLONOSCOPY AT AGE 50 FOR ADULTS CONSIDERED AT AVERAGE RISK COLONOSCOPES ARE PERFORMED BY GASTROENTEROLOGISTS IN THE HOSPITALS MODERN AND NATIONALLY ACCREDITED GASTROINTESTINAL (GI) LAB NORWALK HOSPITAL IS THE ONLY HOSPITAL IN CONNECTICUT TO OFFER THIRD EYE RETROSCOPE-ENHANCED COLONOSCOPES THIS NEW TECHNOLOGY HAS BEEN SHOWN IN CLINICAL STUDIES TO IMPROVE THE DETECTION RATE OF POTENTIALLY PRE-CANCEROUS COLON POLYPS BY UP TO 25% ONCE DETECTED, THE COLON POLYPS CAN BE REMOVED DURING THE COLONOSCOPY SEVERAL GASTROENTEROLOGISTS ON THE HOSPITALS MEDICAL STAFF ARE OFFERING THIRD EYE RETROSCOPE-ENHANCED COLONOSCOPES TO PATIENTS THE NORWALK HOSPITAL CENTER FOR DIGESTIVE DISEASES PROVIDES STATE-OF-THE-ART, ACADEMIC MEDICAL CENTER-LEVEL CARE IN A CONVENIENTLY LOCATED, COMMUNITY HOSPITAL SETTING THE CENTERS WIDELY RECOGNIZED, FELLOWSHIP-TRAINED, SPECIALIST PHYSICIANS PROVIDE LEADING-EDGE DIAGNOSTICS AND TREATMENTS FOR DISORDERS OF THE ESOPHAGUS, STOMACH, SMALL INTESTINE, COLON, RECTUM, GALLBLADDER, PANCREAS AND LIVER A LEADER IN ADVANCED ENDOSCOPIC PROCEDURES FOR THE TREATMENTS OF GASTROINTESTINAL DISORDERS, THE CENTER ALSO OFFERS A CHRONIC HEARTBURN PROGRAM, AND, IN PARTNERSHIP WITH YALE SCHOOL OF MEDICINE, A COMPREHENSIVE LIVER CENTER CLINICAL SERVICES PROVIDED BY THE CENTERS SPECIALIST PHYSICIANS INCLUDE, BUT ARE NOT LIMITED TO ABLATION THERAPY FOR BARRETT'S ESOPHAGUS, CHRONIC HEARTBURN (GERD) EVALUATION AND TREATMENT, COLON CANCER SCREENING, COLONOSCOPES, DOUBLE BALLOON-ASSISTED ENTEROSCOPY, ENDOSCOPIC PROCEDURES, INCLUDING ENDOSCOPIC ULTRASOUND, INFLAMMATORY BOWEL DISEASE EVALUATION AND TREATMENTS, LIVER DISEASES, INCLUDING HEPATITIS C, EVALUATIONS AND TREATMENTS THE CENTER SERVES AS A MAJOR TEACHING SITE FOR THE YALE SCHOOL OF MEDICINE WILLIAM HALE, MD, DIRECTOR OF GASTROENTEROLOGY AND HEPATOLOGY, DENNIS MEIGHAN, DO, DIRECTOR OF ENDOSCOPY, AND SETH A. GROSS, MD, DIRECTOR OF ADVANCED ENDOSCOPY, HELP TRAIN RESIDENTS AND FELLOWS, AND ALSO CONDUCT CLINICAL RESEARCH STUDIES DESIGNED TO IMPROVE CARE FOR PATIENTS GASTRO & DIGESTIVE HAD TOTAL INPATIENT DISCHARGES OF 1,608 FOR THE FISCAL YEAR ENDED 9/30/2013

4d Other program services (Describe in Schedule O)

(Expenses \$ 162,029,325 Including grants of \$ 7,902,784) (Revenue \$ 167,402,718)

4e Total program service expenses ► 277,262,939

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, *Schedule of Contributors* (see instructions)?

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

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

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

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

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

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

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

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

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

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

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

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

e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X

f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part XI

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII

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

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

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

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

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

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)

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

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

20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H

b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?

	Yes	No
1	Yes	
2	Yes	
3		No
4	Yes	
5		No
6		No
7		No
8		No
9		No
10		No
11a	Yes	
11b		No
11c	Yes	
11d	Yes	
11e	Yes	
11f		No
12a		No
12b	Yes	
13		No
14a		No
14b		No
15		No
16		No
17		No
18		No
19		No
20a	Yes	
20b	Yes	

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)	28a	Yes	
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	29		No
30	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30		No
31	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	31		No
32	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	32		No
33	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	33		No
34	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	34	Yes	
35a	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	35a	Yes	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	463	
b Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	2,169	
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	Yes	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No	
b If "Yes," enter the name of the foreign country See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No	
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No	
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	No	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).	7a	No	
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?	7b		
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	No	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d		
d If "Yes," indicate the number of Forms 8282 filed during the year	7e	No	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	No	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7h		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	8		
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?	9a		
9 Sponsoring organizations maintaining donor advised funds.	9b		
a Did the organization make any taxable distributions under section 4966?			
b Did the organization make a distribution to a donor, donor advisor, or related person?			
10 Section 501(c)(7) organizations. Enter	10a		
a Initiation fees and capital contributions included on Part VIII, line 12	10b		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			
11 Section 501(c)(12) organizations. Enter	11a		
a Gross income from members or shareholders	11b		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			
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.	13a		
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	13b		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a	No	
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

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

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

Section A. Governing Body and Management

			Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a	22		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b Enter the number of voting members included in line 1a, above, who are independent	1b	20		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No	
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No	
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No	
6 Did the organization have members or stockholders?	6	Yes		
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes		
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes		
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following	8a	Yes		
a The governing body?	8b	Yes		
b Each committee with authority to act on behalf of the governing body?	9	No		
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				

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?	15a	Yes	
a The organization's CEO, Executive Director, or top management official	15b	Yes	
b Other officers or key employees of the organization			
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	No	

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed
- 18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply

Own website Another's website Upon request Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization
TONI HORNE CONTROLLER 24 STEVENS STREET NORWALK, CT (203) 852-2071

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.

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

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

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 **329**

		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	Yes
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
MORRISON MANAGEMENT SPECIALISTS INC , POBOX 102289 ATLANTA GA 30368	FOOD SERVICE	2,752,117
RIGHTSOURCING INC , PO BOX 9695 UNIONDALE NY 11555	STAFFING SERVICES	3,243,726
FREEMANWHITE INC , 8845 RED OAK BOULEVARD CHARLOTTE NC 282175593	ARCHITECT	3,053,633
NORWALK RADIOLOGY CONSULTANTS PC , 148 East Avenue NORWALK CT 06851	PHYS GROUP-RADIOLOGY	1,615,542
DONALD MURPHY dba Murphy Security , PO Box 356 NEW BRITAIN CT 06050	SECURITY SERVICES	1,411,859

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 ►69

Part VIII Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d	2,129,762			
	e Government grants (contributions)	1e	1,991,235			
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f \$					
	h Total. Add lines 1a-1f		4,120,997			
Program Service Revenue	2a Net Patient Services Revenue	Business Code 621400	331,172,930	331,172,930		
	b Other Medical Services	900099	1,177,728	1,177,728		
	c Norwalk Surgery Center Joint Venture	900099	2,728,341	2,728,341		
	d Lab Services	621400	3,053,352		3,053,352	
	e Meaningful Use	900099	2,403,617	2,403,617		
	f All other program service revenue		2,742,040	2,742,040		
	g Total. Add lines 2a-2f		343,278,008			
	3 Investment income (including dividends, interest, and other similar amounts)		2,311,619			2,311,619
4 Income from investment of tax-exempt bond proceeds		0				
5 Royalties		0				
6a Gross rents	(I) Real 4,041,828					
b Less rental expenses	3,138,901					
c Rental income or (loss)	902,927	0				
d Net rental income or (loss)		902,927			902,927	
7a Gross amount from sales of assets other than inventory	(I) Securities 15,375					
b Less cost or other basis and sales expenses						
c Gain or (loss)	15,375					
d Net gain or (loss)		15,375			15,375	
8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a					
b Less direct expenses	b					
c Net income or (loss) from fundraising events		0				
9a Gross income from gaming activities See Part IV, line 19	a					
b Less direct expenses	b					
c Net income or (loss) from gaming activities		0				
10a Gross sales of inventory, less returns and allowances	a 448,542					
b Less cost of goods sold	b 207,902					
c Net income or (loss) from sales of inventory		240,640			240,640	
Miscellaneous Revenue		Business Code				
11a Cafeteria/Vending	900099	1,549,881	1,549,881			
b Parking	900099	239,910	239,910			
c						
d All other revenue						
e Total. Add lines 11a-11d		1,789,791				
12 Total revenue. See Instructions		352,659,357	342,014,447	3,053,352	3,470,561	

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	7,902,784	7,902,784		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	3,230,966	3,230,966		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	135,352,539	110,777,820	24,574,719	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	13,012,119	10,998,684	2,013,435	
9 Other employee benefits	29,368,771	24,999,225	4,369,546	
10 Payroll taxes	10,928,006	9,246,410	1,681,596	
11 Fees for services (non-employees)				
a Management	0			
b Legal	1,900,681		1,900,681	
c Accounting	251,958		251,958	
d Lobbying	111,500		111,500	
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	0			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	41,648,114	33,299,950	8,348,164	
12 Advertising and promotion	1,526,419	27,245	1,499,174	
13 Office expenses	3,473,382	2,322,344	1,151,038	
14 Information technology	7,698,332	5,868,981	1,829,351	
15 Royalties	0			
16 Occupancy	16,258,728	12,834,352	3,424,376	
17 Travel	581,632	498,269	83,363	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	30,828	29,903	925	
20 Interest	2,529,391	2,529,391		
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	18,635,476	13,210,244	5,425,232	
23 Insurance	6,115,870	6,005,060	110,810	
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 Pharmacy	7,534,002	7,534,002		0
b Radiology & Lab Supplies	2,597,071	2,597,071		
c Medical Supplies	20,380,339	20,380,339		
d Support Norwalk Community Heal	1,350,000	1,350,000		
e All other expenses	3,462,112	1,619,899	1,842,213	
25 Total functional expenses. Add lines 1 through 24e	335,881,020	277,262,939	58,618,081	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ► if following SOP 98-2 (ASC 958-720)				

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

		(A) Beginning of year	(B) End of year
Assets			
1	Cash—non-interest-bearing	79,838,027	1 73,750,817
2	Savings and temporary cash investments	0	2 0
3	Pledges and grants receivable, net	0	3 0
4	Accounts receivable, net	30,103,755	4 26,795,462
5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	0	5 0
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	0	6 0
7	Notes and loans receivable, net	983,779	7 912,778
8	Inventories for sale or use	1,860,656	8 1,845,044
9	Prepaid expenses and deferred charges	2,373,762	9 1,589,839
10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 470,519,318	
b	Less accumulated depreciation	10b 310,387,552	
		136,573,309	10c 160,131,766
11	Investments—publicly traded securities	55,114,847	11 89,661,793
12	Investments—other securities See Part IV, line 11	2,267,986	12 2,267,986
13	Investments—program-related See Part IV, line 11	49,220,441	13 45,162,957
14	Intangible assets	0	14 0
15	Other assets See Part IV, line 11	74,551,908	15 135,975,725
16	Total assets. Add lines 1 through 15 (must equal line 34)	432,888,470	16 538,094,167
Liabilities			
17	Accounts payable and accrued expenses	45,455,394	17 53,040,490
18	Grants payable	0	18 0
19	Deferred revenue	0	19 0
20	Tax-exempt bond liabilities	52,395,000	20 122,700,000
21	Escrow or custodial account liability Complete Part IV of Schedule D	0	21 0
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	0	22 0
23	Secured mortgages and notes payable to unrelated third parties	0	23 0
24	Unsecured notes and loans payable to unrelated third parties	0	24 0
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	168,345,084	25 115,140,561
26	Total liabilities. Add lines 17 through 25	266,195,478	26 290,881,051
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	123,000,420	27 207,578,029
28	Temporarily restricted net assets	34,246,719	28 30,180,235
29	Permanently restricted net assets	9,445,853	29 9,454,852
	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	166,692,992	33 247,213,116
34	Total liabilities and net assets/fund balances	432,888,470	34 538,094,167

Part XI Reconciliation of Net AssetsCheck 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	352,659,357
2	Total expenses (must equal Part IX, column (A), line 25)	2	335,881,020
3	Revenue less expenses Subtract line 2 from line 1	3	16,778,337
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	166,692,992
5	Net unrealized gains (losses) on investments	5	7,760,507
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	55,981,280
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	247,213,116

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990 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 checked="" 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 type="checkbox"/> Separate basis <input checked="" 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	Yes
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	Yes

SCHEDULE A
(Form 990 or 990EZ)**Public Charity Status and Public Support****2012****Open to Public
Inspection**

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

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

Name of the organization
The Norwalk Hospital Association**Employer identification number**

06-6068853

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

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

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

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

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

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

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

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

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

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

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

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

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

e a Type I b Type II c Type III - Functionally integrated d Type III - Non-functionally integrated

f 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)

g 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

h 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?

i 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
Total						

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

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

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

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

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18
19a 33 1/3% support tests—2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization	
b 33 1/3% support tests—2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization	
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions	

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

Facts And Circumstances Test

Explanation

SCHEDULE C
(Form 990 or 990-EZ)**Political Campaign and Lobbying Activities****2012****Open to Public
Inspection****For Organizations Exempt From Income Tax Under section 501(c) and section 527**

► Complete if the organization is described below. ► Attach to Form 990 or Form 990-EZ.

► See separate instructions.

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

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

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

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

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

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

Name of the organization The Norwalk Hospital Association	Employer identification number 06-6068853
--	--

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

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

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

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

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

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

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

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)			
b Total lobbying expenditures to influence a legislative body (direct lobbying)			
c Total lobbying expenditures (add lines 1a and 1b)			
d Other exempt purpose expenditures			
e Total exempt purpose expenditures (add lines 1c and 1d)			
f Lobbying nontaxable amount Enter the amount from the following table in both columns			
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?		No			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No			
c Media advertisements?		No			
d Mailings to members, legislators, or the public?		No			
e Publications, or published or broadcast statements?		No			
f Grants to other organizations for lobbying purposes?		No			
g Direct contact with legislators, their staffs, government officials, or a legislative body?		No			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No			
i Other activities?	Yes		438,611		
j Total Add lines 1c through 1i			438,611		
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No			
b If "Yes," enter the amount of any tax incurred under section 4912					
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912					
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?					

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

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

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

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?		
5 Taxable amount of lobbying and political expenditures (see instructions)	4	
	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
OTHER ACTIVITIES	SCHEDULE C PART II-B LINE I	NORWALK HOSPITAL ASSOCIATION PAYS MEMBERSHIP DUES TO MEMBER ORGANIZATIONS WHICH MAY ENGAGE IN LOBBYING ACTIVITIES, THEREFORE, A PORTION OF THE DUES MAY BE ATTRIBUTABLE TO LOBBYING ACTIVITIES NORWALK HOSPITAL ENGAGED THE FIRM BROWN RUDNICK LLP FOR GOVERNMENT RELATIONS IN CONNECTICUT AND ON THE FEDERAL LEVEL BROWN RUDNICK KEEPS NORWALK HOSPITAL ASSOCIATION APPRAISED OF FEDERAL HEALTHCARE POLICY, GRANT OPPORTUNITIES AND RELATED BILLS & PENDING LEGISLATION THAT MAY BE OF INTEREST TO THE WELL BEING OF THE HOSPITAL

SCHEDULE D
(Form 990)**Supplemental Financial Statements****2012****Open to Public
Inspection**

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

Department of the Treasury
Internal Revenue Service

Employer identification number
06-6068853

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)	<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) <input type="checkbox"/> Preservation of an historically important land area
	<input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure
	<input type="checkbox"/> 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	
a Total number of conservation easements	Held at the End of the Year
b Total acreage restricted by conservation easements	2a
c Number of conservation easements on a certified historic structure included in (a)	2b
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2c
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____	2d
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? <input type="checkbox"/> Yes <input type="checkbox"/> 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)? <input type="checkbox"/> Yes <input type="checkbox"/> No	
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements	

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

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

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

(i) Revenues included in Form 990, Part VIII, line 1	► \$ _____
(ii) Assets included in Form 990, Part X	► \$ _____
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items	
a Revenues included in Form 990, Part VIII, line 1	► \$ _____
b Assets included in Form 990, Part X	► \$ _____

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

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

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value

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

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

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

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

Part XIII Supplemental Information

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

Identifier	Return Reference	Explanation
FIN 48 FOOTNOTE	SCHEDULE D, PART X, LINE 2	THERE WAS NO FIN 48/ASC 740 FOOTNOTE IN THE AUDITED FINANCIAL STATEMENTS

Additional Data

Software ID:
Software Version:
EIN: 06-6068853
Name: The Norwalk Hospital Association

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

	(a) Description	(b) Book value
(1) Other Receivables		3,410,889
(2) Interest Rate Swap		4,554,026
(3) Due from Affiliates		1,346,260
(4) Construction Fund/Cost of Issu		59,708,986
(5) Malpractice Tust Fund		327
(6) Goodwill - NRMC Purchase		13,843,749
(7) Non-Compete - NRMC Purchase		5,958,797
(8) CHEFA Bond Issue Expense		1,289,383
(9) Malpractice Receivable		45,863,308

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

1	(a) Description of Liability	(b) Book Value
	Due to third party payors	30,484,686
	Malpractice Reserve	51,278,308
	Asset Retirement Obligation	10,653,327
	CHA Trust loan	402,355
	Workers' Comp Reserve	2,567,866
	Long Term Disability Reserve	2,072,930
	Lease - Current and long term	3,767,601
	Accrued Pension Liability	13,061,730
	Due to Affiliates	851,758

2012

Open to Public
InspectionSCHEDULE 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.Name of the organization
The Norwalk Hospital Association

Employer identification number

06-6068853

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 checked="" type="checkbox"/> Applied uniformly to all hospital facilities	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	3a	Yes
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %		
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	3b	Yes
<input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" 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"?	4	Yes
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	No
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?	5c	
6a Did the organization prepare a community benefit report during the tax year?	6a	Yes
b If "Yes," did the organization make it available to the public?	6b	Yes
Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H		

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)		17,076	12,130,987	4,964,575	7,166,412	2 110 %
b Medicaid (from Worksheet 3, column a)		46,085	59,385,091	41,428,745	17,956,347	5 300 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs		63,161	71,516,078	46,393,320	25,122,759	7 410 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		1,397,468	1,780,359	97,272	1,683,087	0 050 %
f Health professions education (from Worksheet 5)		22	12,372,639	4,399,270	7,973,369	2 350 %
g Subsidized health services (from Worksheet 6)		10,014	3,465,077	1,360,322	2,104,755	0 620 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total Other Benefits		1,407,504	17,618,075	5,856,864	11,761,211	3 020 %
k Total Add lines 7d and 7j		1,470,665	89,134,153	52,250,184	36,883,970	10 430 %

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building	1	320	24,570		24,570	0 010 %
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total	1	320	24,570		24,570	0 010 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense	Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?	1	No
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2	17,836,044
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	7,965,577
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	89,000,371
6 Enter Medicare allowable costs of care relating to payments on line 5	6	118,035,020
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-29,034,649
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used		
<input type="checkbox"/> Cost accounting system	<input type="checkbox"/> Cost to charge ratio	<input checked="" type="checkbox"/> 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	

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 NORWALK SURGERY CTR	AMBULATORY SURGERY CENTER	64 110 %		31 100 %
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

Other (Describe)

Facility reporting group

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)

NORWALK HOSPITAL

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)** _____

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1	1 Yes	
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)	
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 13	
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	
3	3 Yes	
4	4 No	
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	
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	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 checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans	
f	<input 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	7 Yes	
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	
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	8a No	
8b	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?	10	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care <u>200</u> %			
If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing <i>discounted</i> care?	11	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>400</u> %			
If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	12	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a <input checked="" type="checkbox"/> Income level			
b <input type="checkbox"/> Asset level			
c <input checked="" type="checkbox"/> Medical indigency			
d <input checked="" 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?	14	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a <input type="checkbox"/> The policy was posted on the hospital facility's website			
b <input checked="" type="checkbox"/> The policy was attached to billing invoices			
c <input checked="" 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 checked="" 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 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?	17	No	
If "Yes," check all actions in which the hospital facility or a third party engaged			
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

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

If "No," indicate why

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

	Yes	No
19 Yes		

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

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

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

21		No

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

If "Yes," explain in Part VI

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

If "Yes," explain in Part VI

22		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?

11

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

Part VI Supplemental Information

Complete this part to provide the following information

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Identifier	ReturnReference	Explanation
PART I, LINE 7, COLUMN F		NORWALK HOSPITAL HAS AN ACGME ACCREDITED MEDICAL RESIDENCY PROGRAM PARTNERED WITH YALE UNIVERSITY SCHOOL OF MEDICINE APPROXIMATELY 58 RESIDENTS AND FELLOWS ROTATE IN THE MEDICINE, RADIOLOGY, GASTROENTEROLOGY, PULMONARY OR SLEEP PROGRAMS. THE ASSOCIATED COSTS AND REVENUES ARE DERIVED FROM THE MEDICARE COST REPORT. SUBSIDIZED HEALTH SERVICES LINE G - NORWALK HOSPITAL RECEIVES A DHMAS GRANT FROM THE STATE OF CONNECTICUT FOR THE OUTPATIENT PSYCHIATRIC CLINIC. THESE DOLLARS HELP OFFSET THE SHORTFALL FROM UNDER OR UNINSURED PATIENTS
PART II		PROJECT LEAN(LEARNING WITH ENERGY FROM ACTIVITY AND NUTRITION) IS AN INNOVATIVE, COMMUNITY-WIDE COLLABORATIVE PROGRAM DESIGNED TO ACTIVELY ENGAGE ELEMENTARY SCHOOL CHILDREN WITH A HANDS-ON INTERACTIVE CURRICULUM TO COMBAT CHILDHOOD OBESITY. PROJECT LEAN'S GOAL IS TO IMPROVE ATTITUDES, INCREASE KNOWLEDGE, AND KEEP BODY MASS INDEX AT OR BELOW THE CENTER FOR DISEASE CONTROL AND PREVENTION AVERAGE GAINS THROUGH NUTRITION EDUCATION AND INCREASED ACTIVITY. THE AIM IS TO IMPROVE THE OVERALL HEALTH OF THE STUDENTS THROUGH HEALTHY NUTRITION AND EXERCISE WITH THE GOAL TO MAKE A SUSTAINABLE DIFFERENCE IN THEIR LIVES. THE PROGRAM HAS THREE COMPONENTS. THE BEFORE-SCHOOL "BREAKFAST CLUB BOOT CAMP" BEGINS AT 7:30AM AND INCLUDES A FREE HEALTHY BREAKFAST SERVED AFTER 40 MINUTES OF STRUCTURED, VIGOROUS EXERCISES. THE IN-SCHOOL COMPONENT PROVIDES THE CHILDREN WITH A WEEKLY 40 MINUTE NUTRITION AND ACTIVITY EDUCATION PROGRAM DIRECTED BY A REGISTERED DIETITIAN FROM NORWALK HOSPITAL. THE DIETITIAN BRINGS NUTRITION EDUCATION TO LIFE IN THE CLASSROOM WITH WEEKLY INTERACTIVE, HANDS-ON ACTIVITIES. THE AFTER-SCHOOL ACTIVITIES INCLUDE A MONTHLY "FAMILY NIGHT" AIMED AT ENGAGING THE ENTIRE FAMILY AND PROVIDING EDUCATIONAL SESSIONS ON PHYSICAL ACTIVITIES, HEALTHY EATING, AND LEADING A HEALTHY LIFESTYLE. ACTIVITIES INCLUDE FAMILY ZUMBA, LA BOXING, CIRCUIT TRAINING, COOKING CLASSES, SHOPPING ACTIVITIES, ETC. SINCE WEIGHT PROBLEMS IN CHILDHOOD OFTEN CONTINUE INTO ADULTHOOD, TARGETING THIS AGE GROUP ALLOWS US TO MAKE A LASTING EFFECT ON HEALTHY LIVING. MINIMIZING FUTURE POTENTIAL MEDICAL RISKS AND SIGNIFICANTLY IMPACTING THE BATTLE AGAINST OBESITY. ADDITIONALLY, IMPLEMENTING THIS PROGRAM AT THIS POINT IN CHILDREN'S LIVES GREATLY INCREASES THE CHANCES THE CHILDREN WILL RETAIN THE INFORMATION AS THEY AGE. WE STRESS THE BENEFIT OF THE ENTIRE FAMILY WORKING TOGETHER TO LEAD A HEALTHY, ACTIVE LIFESTYLE AND GIVE THEM THE SKILLS TO DO SO. THE \$24,570 REPRESENTS THE VALUE OF THE HOURS DEVOTED TO PROVIDING THESE PROGRAMS AND COLLABORATING WITH COMMUNITY AGENCIES. INVOLVED PART III, LINE 4 LINE 2 - BAD DEBT EXPENSE IS A FUNCTION OF ACTUAL BAD DEBT WRITE-OFFS AND ESTIMATED BAD DEBTS FOR BALANCES STILL IN ACCOUNTS RECEIVABLE (AR) AS OF THE MEASUREMENT DATE. THE HOSPITAL CALCULATES THE ESTIMATED BAD DEBTS IN AR BY COMPUTING HISTORICAL PAYMENT % BY PAYOR, SERVICE TYPE, AND BY ACCOUNT AGE AND APPLIES THOSE PERCENTAGES ADJUSTED FOR PRICE INCREASES TO CURRENT AR. LINE 3 - THE PERCENT OF CHARITY CARE APPLICATIONS UNDER NORWALK HOSPITAL'S FINANCIAL ASSISTANCE POLICY THAT RESULTED IN A DISCOUNT WAS 44.66%. WE APPLIED THIS % TO OUR BAD DEBT EXPENSE OF \$17,836,044 TO ARRIVE AT OUR ESTIMATE OF BAD DEBT EXPENSE ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER NORWALK HOSPITAL'S FINANCIAL ASSISTANCE POLICY OF \$7,965,577. WE HAVE NO FOOTNOTE IN OUR AUDITED FINANCIAL STATEMENTS THAT DESCRIBES BAD DEBT EXPENSE.

Identifier	ReturnReference	Explanation
PART III, LINE 8		ALL HOSPITALS MUST RECORD PROFITS IN ORDER TO GENERATE THE CAPITAL NEEDED TO INVEST IN FACILITIES AND SERVICES SERVICES THAT RESPOND TO PUBLIC HEALTH NEEDS PROVIDED TO MEDICARE PATIENTS AT NORWALK HOSPITAL GENERATE NEGATIVE MARGINS AVERAGING AROUND 25% OF COST IT IS POSSIBLE THAT SOME OF THESE SERVICES WOULD BE DISCONTINUED IF THE DECISION WAS MADE ON A PURELY FINANCIAL BASIS FOR THIS REASON, IT WOULD BE APPROPRIATE TO CONSIDER THE MEDICARE PAYMENT SHORTFALL A COMMUNITY BENEFIT THE MEDICARE ALLOWABLE COSTS OF CARE ON PART III, LINE 6 WERE COMPUTED USING THE COST TO CHARGE RATIO FROM THE MEDICARE COST REPORT MULTIPLIED AGAINST MEDICARE CHARGES
PART III, LINE 9B		NORWALK HOSPITAL COLLECTION PRACTICES CONSIST PRIMARILY OF BILLING NOTICES AND FOLLOW UP COURTESY CALLS THE PATIENT IS NOTIFIED OF THE FINANCIAL ASSISTANCE PROGRAM WITH EACH WRITTEN NOTIFICATION AND AT EACH POINT OF SERVICE NOTIFICATION IS SHARED BY POSTINGS AND VERBAL NOTIFICATION AT THE TIME THE PROCEDURE IS SCHEDULED IF AT ANY TIME DURING THE COLLECTION PROCESS A PATIENT WOULD LIKE TO PARTICIPATE IN THE FAP PROGRAM COLLECTION ACTIVITY CEASES THE PATIENT IS THEN SENT AN APPLICATION AND WORKS WITH THE FINANCIAL COUNSELLING TEAM FOR APPROVAL OF FULL OR PARTIAL DISCOUNTS PART V, SECTION B, LINE 3 NORWALK HOSPITAL AND THE NORWALK HEALTH DEPARTMENT ARE LEADING A COLLABORATIVE COMMUNITY PLANNING PROCESS TO IMPROVE THE HEALTH OF GREATER NORWALK AREA RESIDENTS INVOLVED IN THIS EFFORT ARE THE HEALTH DEPARTMENTS OF NEW CANAAN, WESTPORT, WESTON, WILTON, DARIEN, AND FAIRFIELD, AS WELL AS THE NORWALK COMMUNITY HEALTH CENTER, NON-PROFIT AGENCIES, COMMUNITY AND FAITH BASED ORGANIZATIONS, AS WELL AS THE PUBLIC BEING SERVED A BROAD REPRESENTATION OF THE COMMUNITY ALLOWS US TO SHARE EXPERTISE AND RESOURCES PART V, SECTION B, LINE 7 A SUBCOMMITTEE OF THE NORWALK HOSPITAL BOARD OF TRUSTEES, THE COMMUNITY HEALTH COMMITTEE (CHC), WAS ESTABLISHED TO PROVIDE OVERSIGHT AND DEVELOP PROJECTS AND PROGRAMS AIMED AT IMPROVING THE HEALTH OF CITIZENS IN LOWER FAIRFIELD COUNTY THE CHC ASSURES STAKEHOLDER ENGAGEMENT, SETS GOALS, STRATEGIES AND METRICS, MEASURES PROGRAM IMPACT TO PRIORITY COMMUNITY NEEDS, AND MONITORS AND REPORTS PERFORMANCE CO-LEADS (CONTENT EXPERTS AND OPERATIONAL LEADERS) WERE SELECTED TO FORMULATE WORKGROUPS FROM THE TASK FORCE TO DISCUSS, DEVELOP AND IMPLEMENT WAYS TO COMPLETE THE IMPROVEMENT PLAN WITH THE EMPHASIS ON CROSS-TOWN, CROSS-INSTITUTION COLLABORATION WORKGROUPS, COMPRISED OF REPRESENTATIVES FROM A WIDE VARIETY OF COMMUNITY AGENCIES FROM THROUGHOUT THE REGION, FORMED THE OBESITY/HEALTHY LIFESTYLE INITIATIVE COMMITTEE AND MENTAL HEALTH/SUBSTANCE ABUSE INITIATIVE COMMITTEE EACH COMMITTEE REVIEWED EVIDENCE-BASED STRATEGIES FOR THE HEALTH PRIORITIES WITH A FOCUS ON COMMUNITIES AND SUB-GROUPS OF THE COMMUNITY, SET RELATED PERFORMANCE MEASURES FOR SHORT- AND INTERMEDIATE-TERM PLANS, AND ESTABLISHED TIMELINES FOR ACHIEVING GOALS AND OBJECTIVES THE COMMUNITY HEALTH NEEDS ASSESSMENT WAS PRESENTED TO THE NORWALK HOSPITAL BOARD OF TRUSTEES

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	PART VI, QUESTION 1	SERVING OUR COMMUNITIES SPECIAL NEEDS THROUGH OUTREACH PROGRAMS NORWALK HOSPITAL TAKES PARTICULAR PRIDE IN -- NOT ONLY SERVING THE LOCAL COMMUNITIES WITH OUTSTANDING CARE -- BUT IN ITS ABILITY TO ACCOMMODATE EVERYONE WHO COMES THROUGH ITS DOORS NO PATIENT IS TURNED AWAY FOR LACK OF FUNDS NORWALK HOSPITAL PROVIDES NUMEROUS EDUCATIONAL PROGRAMS AND SUPPORT GROUPS WITHOUT CHARGE, SUCH AS CANCER SUPPORT, BEREAVEMENT SUPPORT, SMOKING CESSION, ETC THE HOSPITAL STAFF PARTICIPATES IN HEALTH FAIRS AND COMMUNITY LECTURES FOR ASSISTED LIVING CENTERS, SENIOR CENTERS, CHURCHES, PUBLIC SCHOOLS AND PROVIDES AMBULANCE TOURS TO THE ELEMENTARY SCHOOLS IN NORWALK NORWALK HOSPITAL OFFERS PROGRAM AND FINANCIAL SUPPORT TO THE NORWALK COMMUNITY HEALTH CENTER, A COMMUNITY-BASED HEALTH CENTER, AND PROVIDES SUPPORT TO AMERICARES CLINIC SPECIALTY CLINICS FOR THE MEDICALLY UNDERSERVED ARE STAFFED BY VOLUNTEER ATTENDING PHYSICIANS IN THE FOLLOWING SPECIALTIES SURGERY, GI, PULMONARY, ORTHOPEDICS, PODIATRY, PHYSIATRY, NEPHROLOGY, NEUROLOGY, SEIZURE, DERMATOLOGY, CARDIOLOGY, RHEUMATOLOGY, LIVER AND BREAST
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	PART VI, QUESTION 3	THE PATIENT IS NOTIFIED OF THE FINANCIAL ASSISTANCE PROGRAM (FAP) WITH EACH WRITTEN NOTIFICATION AND AT EACH POINT OF SERVICE NOTIFICATION IS SHARED BY POSTINGS AND VERBAL NOTIFICATION AT THE TIME THE PROCEDURE IS SCHEDULED THE FACILITY ALSO EMPLOYS FINANCIAL COUNSELORS TO FACILITATE PATIENT EDUCATION REGARDING ALL PROGRAMS AVAILABLE TO INCLUDE STATE, LOCAL AND INTERNAL IF AT ANYTIME DURING THE COLLECTION PROCESS A PATIENT WOULD LIKE TO PARTICIPATE IN THE FAP PROGRAM COLLECTION ACTIVITY CEASES THE PATIENT IS THEN SENT AN APPLICATION AND WORKS WITH THE FINANCIAL COUNSELING TEAM FOR APPROVAL OF FULL OR PARTIAL DISCOUNTS

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION	PART VI, QUESTION 4	COMMUNITY INFORMATION NORWALK HOSPITAL SERVES AN AREA POPULATION OF ABOUT 270,000 IN LOWER FAIRFIELD COUNTY THE PRIMARY SERVICE AREA INCLUDES NORWALK, NEW CANAAN, WESTPORT, WESTON AND WILTON, AND THE SECONDARY SERVICE AREA INCLUDES DARIEN, FAIRFIELD, REDDING AND RIDGEFIELD THERE ARE NO OTHER HOSPITALS LOCATED IN NORWALK HOSPITAL'S PRIMARY OR SECONDARY SERVICE AREAS, BUT THERE ARE FIVE OTHER HOSPITALS LOCATED IN FAIRFIELD COUNTY A DIVERSE SOCIO-ECONOMIC POPULATION, NORWALK HOSPITAL SERVICES AN AGING POPULATION, FROM THE AFFLUENT TO THE MEDICALLY UNDERSERVED THE MEDIAN HOUSEHOLD INCOME IN THE GREATER NORWALK AREA IS \$103,996 AND THE ESTIMATED UNINSURED POPULATION IN NORWALK IS 8 9% THE PERCENTAGE OF THE POPULATION IN THE PRIMARY AND SECONDARY AREAS THAT IS 65+ IS EXPECTED TO INCREASE FROM 13 8% IN 2010 TO 15 0% IN 2015, AND WOMEN OF CHILDBEARING AGE (20-44) ARE FORECAST TO DECLINE 7 5% OVER THE SAME PERIOD OF TIME
PROMOTION OF COMMUNITY HEALTH	PART VI, QUESTION 5	IN ORDER TO PROMOTE THE HEALTH OF THE COMMUNITY, NORWALK HOSPITAL IS RESPONSIBLE FOR COORDINATING THE SERVICES OF THE HOSPITAL WITH THOSE OF OTHER HEALTH EDUCATION AND SOCIAL SERVICES IN THE COMMUNITY (IE, LONG TERM FACILITIES, COMMUNITY OUTREACH, HEALTH PROMOTION/ILLNESS PREVENTION, ETC) TO OPTIMIZE AVAILABILITY OF A FULL SCOPE OF SERVICES IN A COST EFFECTIVE MANNER AS A NOT-FOR-PROFIT ORGANIZATION, NORWALK HOSPITAL PROVIDES NEEDED MEDICAL CARE TO ALL, INCLUDING THOSE WHO CANNOT PAY FOR IT THIS IS PART OF THE HOSPITAL'S "VISION AND VALUES " NORWALK HOSPITAL PROVIDES A VAST ASSORTMENT OF SERVICES FREE OF CHARGE AND FURTHER CARRIES OUT ITS CITIZENSHIP BY MEETING THE NEEDS OF THE UNDERSERVED THE HOSPITAL MAKES AVAILABLE TO THE COMMUNITY AN IMPRESSIVE LIST OF SPECIALTIES, SUCH AS CHILDBIRTH CENTER - NORWALK HOSPITAL PROVIDES EXCEPTIONAL MATERNITY AND PEDIATRIC SERVICES THE OBSTETRICIANS ARE SUPPORTED BY HIGHLY SKILLED NURSES, CERTIFIED NURSE MIDWIVES, PHYSICIAN ASSISTANTS, NEONATOLOGISTS AND YALE PERINATOLOGISTS TO HELP MANAGE HIGH-RISK PREGNANCIES THE HOSPITAL ALSO OFFERS COMPREHENSIVE CHILDBIRTH EDUCATION AND SUPPORT PROGRAMS THE SMILOW FAMILY BREAST HEALTH CENTER - ADDRESSES BREAST CARE IN A SEAMLESS MANNER, BEGINNING WITH COMMUNITY EDUCATION AND SCREENING FOCUSING ON RAPID DIAGNOSIS, THE PROGRAM PROVIDES ON-GOING SUPPORT THROUGHOUT THE PROCESS OF REFERRAL AND SCHEDULING TO ALL NEEDED SERVICES AND PHYSICIANS TRAUMA CENTER - NORWALK HOSPITAL IS DESIGNATED AS A LEVEL II TRAUMA CENTER, DEDICATED TO THE SURVIVAL AND RESTORATION OF PATIENTS TO THEIR BEST FUNCTIONAL OUTCOME STROKE PROGRAM - NORWALK HOSPITAL HAS EARNED THE GOLD SEAL OF APPROVAL FOR STROKE CARE THE JOINT COMMISSION ON ACCREDITATION OF HEALTHCARE ORGANIZATIONS HAS AWARDED NORWALK HOSPITAL PRIMARY STROKE CENTER CERTIFICATION "FOR DEMONSTRATING THAT ITS STROKE CARE PROGRAM FOLLOWS NATIONAL STANDARDS AND GUIDELINES THAT CAN SIGNIFICANTLY IMPROVE OUTCOMES FOR STROKE PATIENTS " CANCER DIAGNOSTICS AND THERAPY - A COMPREHENSIVE PROGRAM THROUGH THE WHITTINGHAM CANCER CENTER BRINGS TO SOUTHWESTERN CONNECTICUT THE LATEST KNOWLEDGE, TECHNIQUES AND TECHNOLOGY FOR THE DIAGNOSIS AND TREATMENT OF CANCER THE CANCER CENTER IS COMMITTED TO ASSURING A FULL SPECTRUM OF ONCOLOGY SERVICES TO THE PEOPLE OF OUR COMMUNITY FROM PREVENTION AND SCREENINGS, TO DIAGNOSIS AND TREATMENT, THE STAFF IS CONTINUALLY RESPONDING TO THE CHANGING NEEDS OF HEALTH CARE AND CANCER PATIENTS SURGICAL SERVICES - NORWALK HOSPITAL'S DEDICATED SURGICAL STAFF OFFERS HIGH QUALITY SURGICAL CARE BY ALL MEASURABLE STANDARDS OUTSTANDING SURGEONS ARE IN THE FOREFRONT OF SURGICAL PROCEDURES INCLUDING LAPAROSCOPIC SURGERY, MAJOR JOINT REPLACEMENT AND UROLOGICAL SERVICES SLEEP CENTER - A NATIONALLY ACCREDITED CENTER PROVIDES FOR DIAGNOSIS AND MANAGEMENT OF THE FULL RANGE OF SLEEP DISORDERS, INCLUDING SLEEP APNEA AND INSOMNIA BARIATRIC CENTER - THE BARIATRIC CENTER HAS BEEN NAMED AN AMERICAN SOCIETY FOR BARIATRIC SURGERY (ASBS) BARIATRIC SURGERY CENTER OF EXCELLENCE THE ASBS CENTER OF EXCELLENCE DESIGNATION RECOGNIZES SURGICAL PROGRAMS WITH A DEMONSTRATED TRACK RECORD OF FAVORABLE OUTCOMES IN BARIATRIC SURGERY WOUND CARE AND HYPERBARIC MEDICINE CENTER - AS A REFERRAL CENTER FOR COMPREHENSIVE WOUND MANAGEMENT, THE CENTER HAS HAD VERY SUCCESSFUL RESULTS BY PROVIDING ADVANCED TREATMENT TO CURE WOUNDS THAT PREVIOUSLY WOULD NOT HEAL

Identifier	ReturnReference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT	PART VI, QUESTION 7	<p>NORWALK HOSPITAL TAKES PARTICULAR PRIDE IN -- NOT ONLY SERVING THE LOCAL COMMUNITIES WITH OUTSTANDING CARE -- BUT IN ITS ABILITY TO ACCOMMODATE EVERYONE WHO COMES THROUGH ITS DOORS NO PATIENT IS TURNED AWAY FOR LACK OF FUNDS NORWALK HOSPITAL PROVIDES NUMEROUS EDUCATIONAL PROGRAMS AND SUPPORT GROUPS WITHOUT CHARGE, SUCH AS CANCER SUPPORT, BEREAVEMENT SUPPORT, SMOKING CESSATION, ETC THE HOSPITAL STAFF PARTICIPATES IN HEALTH FAIRS AND COMMUNITY LECTURES FOR ASSISTED LIVING CENTERS, SENIOR CENTERS, CHURCHES, PUBLIC SCHOOLS AND PROVIDES AMBULANCE TOURS TO THE ELEMENTARY SCHOOLS IN NORWALK NORWALK HOSPITAL OFFERS PROGRAM AND FINANCIAL SUPPORT TO THE NORWALK COMMUNITY HEALTH CENTER, A COMMUNITY-BASED HEALTH CENTER, AND PROVIDES SUPPORT TO AMERICARES CLINIC SPECIALTY CLINICS FOR THE MEDICALLY UNDERSERVED ARE STAFFED BY VOLUNTEER ATTENDING PHYSICIANS IN THE FOLLOWING SPECIALTIES SURGERY, GI, PULMONARY, ORTHOPEDICS, PODIATRY, PSYCHIATRY, NEPHROLOGY, NEUROLOGY, SEIZURE, DERMATOLOGY, CARDIOLOGY, RHEUMATOLOGY, LIVER AND BREAST</p>

Additional Data

Software ID:
Software Version:
EIN: 06-6068853
Name: The Norwalk Hospital Association

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

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

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

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

11

Name and address	Type of Facility (describe)
Norwalk Hosp Outpatient Rehab Services 520 West Avenue Norwalk, CT 06850	OUTPATIENT REHABILITATION FAC
Norwalk Hosp Outpatient Rehab Services 40 Cross Street Suite 110 Norwalk, CT 06851	OUTPATIENT REHABILITATION FAC
Norwalk Hosp Sleep Disorders Services 520 West Avenue Norwalk, CT 06850	OUTPATIENT REHABILITATION FAC
Norwalk Hosp Rad & Mammography Ctr 148 East Avenue Suite 1R Norwalk, CT 06851	OUTPATIENT REHABILITATION FAC
Norwalk Hospital New Canaan Radiology 29-30 East Avenue New Canaan, CT 06840	OUTPATIENT REHABILITATION FAC
Norwalk Hospital Westport Radiology 728 Post Road East Westport, CT 06880	OUTPATIENT REHABILITATION FAC
New Canaan Blood Collection Center 28-30 East Avenue New Canaan, CT 06840	OUTPATIENT REHABILITATION FAC
Westport Blood Collection 728 Post Road East Westport, CT 06880	OUTPATIENT REHABILITATION FAC
Norwalk Blood Collection 40 Cross Street Norwalk, CT 06851	OUTPATIENT REHABILITATION FAC
Norwalk Blood Collection 148 East Avenue Norwalk, CT 06851	OUTPATIENT REHABILITATION FAC
Norwalk Surgery Center LLC 40 Cross Street Norwalk, CT 06851	OUTPATIENT REHABILITATION FAC

Schedule I (Form 990)

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

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

► Attach to Form 990

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
The Norwalk Hospital Association

Employer identification number

Part I General Information on Grants and Assistance

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

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

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

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

(1) Norwalk Hospital Foundation 24 Stevens Street Norwalk, CT 06850	22-2577708	501(c)(3)	628,184	FUND OPERATIONS
(2) Norwalk Hospital Physicians & Surgeons Inc 24 Stevens Street Norwalk, CT 06850	05-1522078	501(C)(3)	7,274,600	STRATEGIC SUPPORT

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
 Part III can be duplicated if additional space is needed.

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

Part IV Supplemental Information.

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

Identifier	Return Reference	Explanation
Form 990, Schedule I	Description of Organization's Procedures for Monitoring the Use of Grants	FUNDS ARE PROVIDED TO NORWALK HOSPITAL FOUNDATION AND NORWALK HOSPITAL PHYSICIANS AND SURGEONS, INC., RELATED 501(C)(3) ORGANIZATIONS, WHICH ARE SUBJECT TO THE SAME POLICIES AND PROCEDURES AS NORWALK HOSPITAL ASSOCIATION

Schedule J
(Form 990)**Compensation Information**

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

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.

2012**Open to Public Inspection**Name of the organization
The Norwalk Hospital Association**Employer identification number**

06-6068853

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

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

<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization

a Receive a severance payment or change-of-control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

a The organization?

b Any related organization?

If "Yes," to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

a The organization?

b Any related organization?

If "Yes," to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

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

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

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

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

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
Supplemental Compensation Information	Schedule J, Part III, LINE 4A	GEOFFREY COLE RECEIVED PART OF A TWO YEAR SEVERANCE ARRANGEMENT BASED UPON HIS COMPENSATION AT THE TIME OF TERMINATION THE AMOUNT PAID DURING THE YEAR, \$218,249, HAS BEEN INCLUDED IN SCHEDULE J, PART II, COLUMN B(III)
Supplemental Compensation Information	SCHEDULE J, PART I, LINE 4B	NORWALK HOSPITAL ASSOCIATION HAS ESTABLISHED THE NORWALK HOSPITAL SENIOR DEFERRED COMPENSATION PLAN, PRIMARILY FOR THE PURPOSE OF PROVIDING A PROGRAM OF DEFERRED COMPENSATION TO DANIEL DEBARBA, PRESIDENT & CEO. AMOUNTS PROMISED UNDER THE PLAN ARE BASED ON TARGETED RETIREMENT BENEFITS. THE PAYMENT OF BENEFITS UNDER THE PLAN IS SUBJECT TO VESTING, NO AMOUNTS WERE VESTED OR REPORTED AS TAXABLE INCOME ON MR DEBARBA'S 2012 W2
Supplemental Compensation Information	SCHEDULE J, PART I, LINE 7	BONUSES ARE PROVIDED BASED ON ACHIEVEMENT OF QUANTIFIABLE AND MEASUREABLE GOALS. GOALS ARE ESTABLISHED FOR ELIGIBLE EXECUTIVES AT THE BEGINNING OF EACH FISCAL YEAR. BONUSES ARE PAID IN ACCORDANCE WITH THE OVERALL FINANCIAL PERFORMANCE OF THE HOSPITAL AS WELL AS THE EXECUTIVE'S SUCCESS IN MEETING OR EXCEDDING THOSE GOALS. TARGET INCENTIVE AWARD OPPORTUNITIES RANGE FROM 15% TO 25% FOR SENIOR LEADERS AND 40% FOR THE PRESIDENT AND CEO. MAXIMUM AWARD OPPORTUNITIES ARE 150% OF THE TARGET, AWARDED FOR EXCEPTIONAL AND SUPERIOR PERFORMANCE EVIDENCED BY ACTUAL, MEASURABLE RESULTS. ACTUAL INCENTIVE AWARDS WERE APPROVED BY THE PRESIDENT AND CEO AND COMPENSATION COMMITTEE BASED ON EACH SENIOR LEADER'S FY 2013 PERFORMANCE RATING, USING A 5 POINT SCALE - A PERFORMANCE RATING OF 3 GENERALLY EQUATES TO 100% OF TARGET OPPORTUNITY - A PERFORMANCE RATING OF 4 GENERALLY EQUATES TO 125% OF TARGET OPPORTUNITY - A PERFORMANCE RATING OF 5 GENERALLY EQUATES TO 150% OF TARGET OPPORTUNITY. ACTUAL AWARDS ARE INTERPOLATED FOR PERFORMANCE RATINGS THAT FALL BETWEEN LEVELS, E G, A RATING OF 3.6. THE PRESIDENT AND CEO AND COMPENSATION COMMITTEE ALSO EXERCISE AND APPLY DISCRETION TO REFLECT SPECIAL ACCOMPLISHMENTS AND INDIVIDUAL RESULTS, AND CAN RECOMMEND HIGHER FINAL AWARDS.

Software ID:
Software Version:

EIN: 06-6068853

Name: The Norwalk Hospital Association

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Fred Afragola	(i) 0 (ii) 0			0			0 0
Daniel DeBarba	(i) 562,950 (ii) 0	325,000	47,556	11,250	20,728	967,484 0	
Patrick Minicus	(i) 348,692 (ii) 0	145,875	18,026	7,857	19,428	539,878 0	
Lisa Brady	(i) 349,791 (ii) 0	97,103	18,710	11,250	21,428	498,282 0	
Mary Nolan	(i) 290,444 (ii) 0	43,867	11,228	46,130	19,428	411,097 0	
Anthony Aceto	(i) 289,597 (ii) 0	85,827	25,222	40,818	19,428	460,892 0	
Renee Mauriello	(i) 172,896 (ii) 0	59,067	10,169	7,042	19,428	268,602 0	
Brian McGovern	(i) 255,764 (ii) 0	293,809	17,198	29,675	24,428	620,874 0	
Michael Carius	(i) 397,419 (ii) 0	76,139	28,761	39,788	20,468	562,575 0	
Arthur Stichman	(i) 224,577 (ii) 0	161,326	24,589	35,821	20,628	466,941 0	
Edward Eisenberg	(i) 237,273 (ii) 0	136,519	11,213	30,783	19,428	435,216 0	
Katherine Michael	(i) 288,271 (ii) 0	78,982	9,210	28,933	22,428	427,824 0	
Geoffrey Cole	(i) 0 (ii) 0		218,249			218,249 0	

**Schedule K
(Form 990)**

OMB No 1545-0047

Supplemental Information on Tax Exempt Bonds**2012**

► 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.

**Open to Public
Inspection**Department of the Treasury
Internal Revenue ServiceName of the organization
The Norwalk Hospital AssociationEmployer identification number
06-6068853**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	STATE OF CT HEALTH & EDU FACILITIES AUTHORITY	06-0806186		12-09-2010	46,840,000	SEE PART V		X		X		X
B	STATE OF CT HEALTH & EDU FACILITIES AUTHORITY	06-0806186		12-01-2012	82,000,000	SEE PART V		X		X		X

Part II Proceeds

						A		B		C		D	
						Yes	No	Yes	No	Yes	No	Yes	No
1	Amount of bonds retired					6,140,000		0					
2	Amount of bonds legally defeased					0		0					
3	Total proceeds of issue					46,844,821		82,005,910					
4	Gross proceeds in reserve funds					0		0					
5	Capitalized interest from proceeds					1,198,321		1,741,177					
6	Proceeds in refunding escrows					0		0					
7	Issuance costs from proceeds					829,268		0					
8	Credit enhancement from proceeds					0		0					
9	Working capital expenditures from proceeds					463,600		0					
10	Capital expenditures from proceeds					46,381,221		0					
11	Other spent proceeds					0		0					
12	Other unspent proceeds					0		0					
13	Year of substantial completion					2012		2015					
14	Were the bonds issued as part of a current refunding issue?					Yes	No	Yes	No	Yes	No	Yes	No
15	Were the bonds issued as part of an advance refunding issue?						X		X				
16	Has the final allocation of proceeds been made?						X		X				
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?					X		X					

Part III Private Business Use

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

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X		X				
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?		X	X					
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ►			0 %			0 %		
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ►			0 %			%		
6 Total of lines 4 and 5			0 %			%		
7 Does the bond issue meet the private security or payment test?								
8a Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X				
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of			0 %			%		
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?		X		X				
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?	X		X					

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T?		X		X				
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?								
b Exception to rebate?								
c No rebate due?								
If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		X	X					
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X		X					
b Name of provider	0		PEOPLES UNITED BANK					
c Term of hedge		12		12				
d Was the hedge superintegrated?								
e Was a hedge terminated?		X		X				

Part IV Arbitrage (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X				
b Name of provider	0		0					
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		X				
7 Has the organization established written procedures to monitor the requirements of section 148?		X		X				

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?	X		X					

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

Identifier	Return Reference	Explanation
See Additional Data Table		

Software ID:**Software Version:****EIN:** 06-6068853**Name:** The Norwalk Hospital Association**Form 990 Schedule K, Part VI - Supplemental Information**

Identifier	Return Reference	Explanation
USE OF BOND PROCEEDS - A	SCHEDULE K, PART I - A	THE PROCEEDS OF THE BOND WERE USED FOR CONSTRUCTION OF A PARKING GARAGE AND FOR THE PURCHASE OF OTHER CAPITAL EQUIPMENT

Form 990 Schedule K, Part VI - Supplemental Information

Identifier	Return Reference	Explanation
USE OF BOND PROCEEDS - B	SCHEDULE K, PART I - B	THE PROCEEDS OF THE BONDARE BEING USED FOR CONSTRUCTION OF AN AMBULATORY PAVILION AND FOR THE PURCHASE OF OTHER CAPITAL EQUIPMENT

Form 990 Schedule K, Part VI - Supplemental Information

Identifier	Return Reference	Explanation
PRIVATE BUSINESS USE	SCHEDULE K, PART III, LINE 4 & 5	PRIVATE BUSINESS USE IS BASED ON PHYSICIAN RESERVED SPACES IN FINANCED PARKING GARAGE. THESE RESERVED SPACES ARE USED BY BOTH EMPLOYED AND ATTENDING PHYSICIANS VISITING HOSPITAL PATIENTS TO FURTHER THE HOSPITAL'S MISSION

Form 990 Schedule K, Part VI - Supplemental Information

Identifier	Return Reference	Explanation
POST ISSUANCE COMPLIANCE - NONQUALIFIED BONDS	SCHEDULE K, PART III, LINE 9	EFFECTIVE 1/1/2014, WESTERN CONNECTICUT HEALTH NETWORK (WCHN) BECAME THE SOLE CORPORATE MEMBER OF NORWALK HEALTH SERVICES CORPORATION AND A CORPORATE AFFILIATION WAS COMPLETED NORWALK HEALTH SERVICES CORPORATION AND ALL SUBSIDIARIES ARE NOW COVERED UNDER THE POLICIES OF WCHN AND AS SUCH, THE TAX EXEMPT DEBT POLICY APPLIES TO NHA AS OF 1/1/2014

Form 990 Schedule K, Part VI - Supplemental Information

Identifier	Return Reference	Explanation
PROCEDURES TO UNDERTAKE CORRECTIVE ACTION	SCHEDULE K, PART V	EFFECTIVE 1/1/2014, WESTERN CONNECTICUT HEALTH NETWORK (WCHN) BECAME THE SOLE CORPORATE MEMBER OF NORWALK HEALTH SERVICES CORPORATION AND A CORPORATE AFFILIATION WAS COMPLETED NOR WALK HEALTH SERVICES CORPORATION AND ALL SUBSIDIARIES ARE NOW COVERED UNDER THE POLICIES OF WCHN AND AS SUCH, THE TAX EXEMPT DEBT POLICY APPLIES TO NHA AS OF 1/1/2014

Schedule L

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**

Department of the Treasury
Internal Revenue Service

Name of the organization
The Norwalk Hospital Association

Employer identification number

06-6068853

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	Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958. _____ \$ _____

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

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) SOUTHERN CONNECTICUT VASCULAR CTR	SEE PART V	42,000	SEE PART V		No
(2) THE BANKWELL	SEE PART V	3,006	SEE PART V		No
(3) FIRST COUNTRY BANK	SEE PART V	23,278	SEE PART V		No
(4) NORWALK MEDICAL GROUP	SEE PART V	155,430	SEE PART V		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS	SCHEDULE L, PART IV, LINE 1	PAUL GAGNE, M D IS A MEMBER OF THE BOARD OF NORWALK HOSPITAL ASSOCIATION (NHA) AND THE MEDICAL DIRECTOR OF SOUTHERN CONNECTICUT VASCULAR CENTER NHA PAID SOUTHERN CONNECTICUT VASCULAR CENTER \$42,000 FOR CARDIAC AND VASCULAR SERVICES SCHEDULE L, PART IV, LINE 2 THOMAS AYOUB, FRED AFRAGOLA, VICTOR LISS AND GEORGE BAUER ARE MEMBERS OF THE BOARD OF NHA AND DIRECTORS OF THE BANKWELL NHA RECEIVED INTEREST INCOME FROM THE BANKWELL IN THE AMOUNT OF \$3,006 SCHEDULE L, PART IV, LINE 3 MARY FRANCO IS AN EMPLOYEE OF NHA AND A DIRECTOR OF FIRST COUNTY BANK NHA RECEIVED INTEREST INCOME FROM FIRST COUNTY BANK IN THE AMOUNT OF \$23,278 SCHEDULE L, PART IV, LINE 4 RICHARD ZELKOWITZ, M D IS A MEMBER OF THE BOARD OF NHA AND THE MEDICAL DIRECTOR OF NORWALK MEDICAL GROUP NHA PAID NORWALK MEDICAL GROUP \$155,430 FOR CANCER SERVICES

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.

2012**Open to Public
Inspection**Name of the organization
The Norwalk Hospital Association**Employer identification number**

06-6068853

Identifier	Return Reference	Explanation
OTHER PROGRAM SERVICE DESCRIPTIONS	FORM 990, PART III, LINE 4D	OTHER PROGRAM SERVICES INCLUDE ED TREATED AND RELEASED, CARDIOVASCULAR SERVICES, CANCER SERVICES, PULMONARY & RESPIRATORY SERVICES, REHAB SERVICES, ALL OTHER SURGICAL SERVICES, PEDIATRIC SERVICES, PSYCHIATRY SERVICES, ALL OTHER MEDICAL SERVICES, AND ALL OTHER LAB SERVICES

Identifier	Return Reference	Explanation
DESCRIPTION OF CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PART VI, LINES 6 AND 7A	NORWALK HEALTH SERVICES CORPORATION, INC IS THE SOLE MEMBER OF NORWALK HOSPITAL ASSOCIATION (NHA) AND APPOINTS NHA'S BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
DESCRIBE THE PROCESS USED BY MANAGEMENT &/OR GOVERNING BODY TO REVIEW 990	FORM 990, PART VI, LINE 11	NORWALK HOSPITAL ASSOCIATION'S (NHA) FORM 990 IS PREPARED WITH THE ASSISTANCE OF ERNST & YOUNG LLP AND REVIEWED BY NHA'S INTERNAL MANAGEMENT FOLLOWING THAT REVIEW, NHA'S INTERNAL MANAGEMENT PRESENTS THE FORM 990 TO THE AUDIT COMMITTEE FOR REVIEW AND COMMENT. THE COMPLETED FORM 990 IS PROVIDED, VIA EMAIL, TO ALL MEMBERS OF THE BOARD OF TRUSTEES PRIOR TO THE FORM BEING FILED WITH THE IRS

Identifier	Return Reference	Explanation
DESCRIPTION OF PROCESS TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTEREST	FORM 990, PART VI, LINE 12C	<p>MONITORING THE ORGANIZATION'S CONFLICT OF INTEREST POLICY PROVIDES THAT ANNUALLY, EACH PERSON COVERED BY THE POLICY, INCLUDING BOARD MEMBERS, AND KEY MANAGEMENT PERSONNEL, INCLUDING THE CEO, VICE PRESIDENTS, CHAIRMEN, EXECUTIVE DIRECTORS, NORWALK HOSPITAL PHYSICIANS & SURGEONS AND ANY OTHER HOSPITAL EMPLOYED PHYSICIANS, DIRECTORS, AND ANY OTHER PERSONNEL WITH FINANCIAL DECISION MAKING AUTHORITY AS DESIGNATED BY THE CEO, SENIOR VICE PRESIDENT, VICE PRESIDENTS OR DEPARTMENT CHAIRMEN SHALL SIGN A STATEMENT AFFIRMING THAT SUCH PERSON RECEIVED A COPY OF THE CONFLICT OF INTEREST POLICY, READ AND UNDERSTANDS THE POLICY AND AGREES TO COMPLY WITH THE POLICY. ADDITIONALLY, THE SIGNED STATEMENT AFFIRMS THAT THE PERSON UNDERSTANDS THE HOSPITAL IS A CHARITABLE ORGANIZATION AND THAT IN ORDER TO MAINTAIN ITS TAX-EXEMPT STATUS, THE HOSPITAL MUST ENGAGE IN ACTIVITIES WHICH ACCOMPLISH ONE OR MORE OF ITS TAX-EXEMPT PURPOSES. ENFORCEMENT FAILURE TO COMPLY WITH THE ORGANIZATION'S CONFLICT OF INTEREST POLICY SHALL CONSTITUTE GROUNDS FOR REMOVAL OF A PERSON COVERED BY THE POLICY AS A BOARD MEMBER OR BOARD COMMITTEE MEMBER, AND, IN THE CASE OF KEY MANAGEMENT PERSONNEL, TERMINATION OF EMPLOYMENT WHO IS COVERED? THE ORGANIZATION'S CONFLICT OF INTEREST POLICY COVERS EACH PERSON COVERED BY THE POLICY, INCLUDING BOARD MEMBERS, AND KEY MANAGEMENT PERSONNEL, INCLUDING THE CEO, VICE PRESIDENTS, CHAIRMEN, EXECUTIVE DIRECTORS, NHP&S AND ANY OTHER HOSPITAL EMPLOYED PHYSICIANS, DIRECTORS, AND ANY OTHER PERSONNEL WITH FINANCIAL DECISION MAKING AUTHORITY AS DESIGNATED BY THE CEO, SENIOR VICE PRESIDENT, VICE PRESIDENTS OR DEPARTMENT LEVEL OF DETERMINATION AND REVIEW OF CONFLICTS IN CONNECTION WITH ANY ACTUAL OR POSSIBLE CONFLICT OF INTEREST, AN INTERESTED PERSON MUST DISCLOSE THE EXISTENCE OF THE FINANCIAL INTEREST AND BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS TO THE DIRECTORS AND MEMBERS OF COMMITTEES WITH GOVERNING BOARD DELEGATED POWERS. CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT. AFTER PRESENTATION OF A POTENTIAL TRANSACTION OR ARRANGEMENT IS MADE BY AN INTERESTED PERSON, THE REMAINING DISINTERESTED BOARD OR COMMITTEE MEMBERS SHALL DECIDE IF A CONFLICT OF INTEREST EXISTS. THE CHAIRPERSON OF THE GOVERNING BOARD OR COMMITTEE SHALL, IF APPROPRIATE, APPOINT A DISINTERESTED PERSON OR COMMITTEE TO INVESTIGATE ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT. AFTER EXERCISING DUE DILIGENCE, THE GOVERNING BOARD OR COMMITTEE SHALL DETERMINE IF THE HOSPITAL CAN OBTAIN, WITH REASONABLE EFFORTS, A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT FROM A PERSON OR ENTITY THAT WOULD NOT GIVE RISE TO A CONFLICT OF INTEREST. IF A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT IS NOT REASONABLY POSSIBLE UNDER CIRCUMSTANCES NOT PRODUCING A CONFLICT OF INTEREST, THE GOVERNING BOARD OR COMMITTEE SHALL DETERMINE BY A MAJORITY VOTE OF THE DISINTERESTED DIRECTORS WHETHER THE TRANSACTION OR ARRANGEMENT IS IN THE ORGANIZATION'S BEST INTEREST, FOR ITS OWN BENEFIT AND WHETHER IT IS FAIR AND REASONABLE. IN CONFORMITY WITH THE ABOVE DETERMINATION, THE GOVERNING BOARD OR COMMITTEE SHALL MAKE ITS DECISION AS TO WHETHER TO ENTER INTO THE TRANSACTION OR ARRANGEMENT. RESTRICTIONS PLACED ON CONFLICTED PERSONS IN CONNECTION WITH ANY ACTUAL OR POSSIBLE CONFLICT OF INTEREST, AN INTERESTED PERSON MUST DISCLOSE THE EXISTENCE OF THE FINANCIAL INTEREST AND BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS TO THE DIRECTORS AND MEMBERS OF COMMITTEES WITH GOVERNING BOARD DELEGATED POWERS. CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT. AFTER DISCLOSURE OF THE FINANCIAL INTEREST AND ALL MATERIAL FACTS, AND AFTER ANY DISCUSSION WITH THE INTERESTED PERSON, HE/SHE SHALL LEAVE THE GOVERNING BOARD OR COMMITTEE MEETING WHILE THE DETERMINATION OF A CONFLICT OF INTEREST IS DISCUSSED AND VOTED UPON. THE REMAINING BOARD OR COMMITTEE MEMBERS SHALL DECIDE IF A CONFLICT OF INTEREST EXISTS.</p>

Identifier	Return Reference	Explanation
DOCUMENT RETENTION AND DESTRUCTION POLICY	FORM 990 PART VI, LINE 14	EFFECTIVE 1/1/2014, WESTERN CONNECTICUT HEALTH NETWORK (WCHN) BECAME THE SOLE CORPORATE MEMBER OF NORWALK HEALTH SERVICES CORPORATION AND A CORPORATE AFFILIATION WAS COMPLETED NORWALK HEALTH SERVICES CORPORATION AND ALL SUBSIDIARIES ARE NOW COVERED UNDER THE POLICIES OF WCHN AND AS SUCH, THE RECORD RETENTION POLICY APPLIES TO NHA AS OF 1/1/2014

Identifier	Return Reference	Explanation
OFFICES & POSITIONS FOR WHICH PROCESS WAS USED, & YEAR PROCESS WAS BEGUN	FORM 990, PART VI, LINES 15 A & B	AN OUTSIDE CONSULTING FIRM CONDUCTS AN EXECUTIVE COMPENSATION ANALYSIS UTILIZING THIRD-PARTY, BLINDED SURVEY DATA SOURCES. THE CONSULTANT THEN PRESENTS FINDINGS TO THE COMPENSATION COMMITTEE OF THE BOARD, WHO DECIDE WHAT ACTION TO TAKE, IF ANY, FOR EACH EXECUTIVE. THIS PROCEDURE ONLY APPLIES TO THE PRESIDENT, VICE PRESIDENTS, AND CERTAIN KEY EMPLOYEES. FOR THOSE KEY EMPLOYEES WHOSE SALARIES ARE NOT SUBJECT TO THE COMPENSATION COMMITTEE REVIEW, THEIR RESPECTIVE VICE PRESIDENTS ASSESS THEIR PERFORMANCE AND DETERMINE SALARY INCREASES BASED ON THE GUIDELINES ESTABLISHED BY THE ANNUAL REVIEW PROGRAM AND FINAL REVIEW RATINGS. COMPENSATION DECISIONS ALSO EMPLOY EXTERNAL MARKET SURVEY DATA AND INTERNAL ANALYSIS BASED ON NORWALK HOSPITAL ASSOCIATION'S SALARY RANGES. THIS PROCESS IS UNDERTAKEN EACH YEAR.

Identifier	Return Reference	Explanation
JOINT VENTURE POLICY	FORM 990, PART VI, SECTION B, LINE 16B	WHILE A WRITTEN POLICY HAS NOT BEEN ADOPTED REGARDING THE EVALUATION OF PARTICIPATION IN JOINT VENTURES, MANAGEMENT FOLLOWS A PROCEDURE IN WHICH ALL POSSIBLE JOINT VENTURE ARRANGEMENTS ARE EVALUATED UNDER APPLICABLE FEDERAL TAX LAWS. MANAGEMENT UTILIZES THE SERVICES OF APPROPRIATE CONSULTANTS AND LEGAL COUNSEL TO EVALUATE EACH JOINT VENTURE OPPORTUNITY. THIS EVALUATION ALSO INCLUDES AN ANALYSIS OF HOW THE JOINT VENTURE WILL FURTHER THE HOSPITAL'S MISSION. THE HOSPITAL HAS TAKEN ALL APPROPRIATE STEPS TO SAFEGUARD ITS TAX EXEMPT STATUS WITH RESPECT TO ALL JOINT VENTURE ARRANGEMENTS. JOINT VENTURE ARRANGEMENTS ARE APPROVED BY THE BOARD OF TRUSTEES.

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS	FORM 990 PART VI, LINE 19	GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY & FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST

Identifier	Return Reference	Explanation
OTHER FEES EXCEED 10%	FORM 990, PART IX, LINE 11G	PHYSICIANS CONTRACT MANAGEMENT AGENCY AND TEMPORARY HELP PATIENT CARE AND ADMIN SERVICES COLLECTION EXPENSE PROFESSIONAL FEES - AFFILIATES PROFESSIONAL FEES - CONSULTING OUTSIDE SERVICES OTHER

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS	FORM 990, PART XI, LINE 9	TRANSFER TO NORWALK HEALTH SERVICES CORPORATION (5,302,411) TRANSFER TO NORWALK HOSPITAL FOUNDATION (1,155,442) TRANSFER FROM NORWALK HOSPITAL FOUNDATION 10,627,037 PENSION RELATED CHANGES OTHER THAN NET PERIODIC PENSION COST 51,307,939 DECREASE IN BENEFICIAL INTEREST IN NORWALK HOSPITAL - TEMPORARILY RESTRICTED (4,066,484) INCREASE IN BENEFICIAL INTEREST IN NORWALK HOSPITAL 8,999 FOUNDATION - PERMANENTLY RESTRICTED NORWALK SURGERY CENTER/JOINT VENTURE INCOME (2,728,341) INTEREST RATE SWAP 4,554,026 NET UNRESTRICTED OTHER CHANGES IN JOINT VENTURE 2,735,957 TOTAL OTHER CHANGES IN NET ASSETS 55,981,280

Identifier	Return Reference	Explanation
OTHER FEES FOR SERVICES FOR NON-EMPLOYEES	FORM 990 PART IX LINE 11G	DESCRIPTION PHYSICIANS TOTAL FEES 7455185

Identifier	Return Reference	Explanation
OTHER FEES FOR SERVICES FOR NON-EMPLOYEES	FORM 990 PART IX LINE 11G	DESCRIPTION CONTRACT MANAGEMENT TOTAL FEES 8225874

Identifier	Return Reference	Explanation
OTHER FEES FOR SERVICES FOR NON-EMPLOYEES	FORM 990 PART IX LINE 11G	DESCRIPTION AGENCY AND TEMPORARY HELP TOTAL FEES 1691521

Identifier	Return Reference	Explanation
OTHER FEES FOR SERVICES FOR NON-EMPLOYEES	FORM 990 PART IX LINE 11G	DESCRIPTION PATIENT CARE & ADMIN SERVICES TOTAL FEES 6945811

Identifier	Return Reference	Explanation
OTHER FEES FOR SERVICES FOR NON-EMPLOYEES	FORM 990 PART IX LINE 11G	DESCRIPTION COLLECTION EXPENSE TOTAL FEES 1500631

Identifier	Return Reference	Explanation
OTHER FEES FOR SERVICES FOR NON-EMPLOYEES	FORM 990 PART IX LINE 11G	DESCRIPTION PROFESSIONAL FEES - AFFILIATES TOTAL FEES 3989343

Identifier	Return Reference	Explanation
OTHER FEES FOR SERVICES FOR NON-EMPLOYEES	FORM 990 PART IX LINE 11G	DESCRIPTION PROFESSIONAL FEES - CONSULTING TOTAL FEES 4227969

Identifier	Return Reference	Explanation
OTHER FEES FOR SERVICES FOR NON-EMPLOYEES	FORM 990 PART IX LINE 11G	DESCRIPTION OUTSIDE SERVICES TOTAL FEES 7086120

Identifier	Return Reference	Explanation
OTHER FEES FOR SERVICES FOR NON-EMPLOYEES	FORM 990 PART IX LINE 11G	DESCRIPTION OTHER TOTAL FEES 525660

SCHEDULE R (Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2012

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Name of the organization
The Norwalk Hospital Association

Employer identification number

06-6068851

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
(1) Norwalk Hospital Physicians & Surgeons 24 Stevens Street Norwalk, CT 06850 06-1522078	Phys Practice	CT	501(c)(3)	11B	NHSC	Yes	
(2) Norwalk Health Care Inc 24 Stevens Street Norwalk, CT 06850 22-2577722	Inactive	CT	501(c)(3)	9	NHSC	Yes	
(3) Norwalk Health Services Corporation 24 Stevens Street Norwalk, CT 06850 22-2577711	Support Svcs	CT	501(c)(3)	11B	NA	Yes	
(4) Norwalk Hospital Foundation 34 Maple Street Norwalk, CT 06850 22-2577708	Fundraising	CT	501(c)(3)	7	NHSC	Yes	
(5) Advanced Center for Rehabilitation Medic 24 Stevens Street Norwalk, CT 06850 06-1304799	Inactive	CT	501(c)(3)	11B	NHSC	Yes	

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.)

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.)

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	Yes	
1c	Yes	
1d		No
1e		No
1f		No
1g		No
1h		No
1i		No
1j	Yes	
1k		No
1l	Yes	
1m	Yes	
1n		No
1o		No
1p	Yes	
1q	Yes	
1r	Yes	
1s	Yes	

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
See Additional Data Table			

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

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

Software ID:
Software Version:
EIN: 06-6068853
Name: The Norwalk Hospital Association

Schedule R (Form 990) 2012

Page 5

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation		
--> Form 990, Schedule R, Part V - Transactions With Related Organizations				
(a) Name of other organization		(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
Norwalk Hospital Physicians & Surgeons		j	522,245	FMV
Norwalk Hospital Physicians & Surgeons		m	14,341,190	FMV
Norwalk Hospital Physicians & Surgeons		q	7,699,806	FMV
Norwalk Hospital Physicians & Surgeons		r	13,300,000	FMV
Norwalk Hospital Physicians & Surgeons		s	9,000,000	FMV
Maple Street Indemnity Company Ltd		r	6,827,000	FMV
Norwalk Health Services Corporation		r	14,499,475	FMV
Norwalk Hospital Foundation		b	628,184	FMV
Norwalk Hospital Foundation		c	2,129,762	FMV
Norwalk Hospital Foundation		l	65,160	FMV
Norwalk Hospital Foundation		q	1,498,950	FMV
Norwalk Hospital Foundation		r	1,155,442	FMV
Norwalk Hospital Foundation		s	11,483,036	FMV
SWC Corporation		l	138,000	FMV
SWC Corporation		m	3,504,475	FMV
SWC Corporation		q	236,179	FMV
SWC Corporation		r	3,157,946	FMV

Norwalk Hospital Association
Consolidated Financial Statements
September 30, 2013 and 2012

Norwalk Hospital Association

Index

September 30, 2013 and 2012

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Independent Auditor's Report

To the Board of Trustees of
Norwalk Hospital Association

We have audited the accompanying consolidated financial statements of Norwalk Hospital Association (the "Hospital"), which comprise the consolidated balance sheets as of September 30, 2013 and September 30, 2012, and the related consolidated statements of operations, of changes in net assets and of cash flows for the years then ended

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Norwalk Hospital Association at September 30, 2013 and September 30, 2012, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information is the responsibility of management and was derived

from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations and cash flows of the individual companies and is not a required part of the consolidated financial statements. Accordingly, we do not express an opinion on the financial position, results of operations and cash flows of the individual organizations.

PricewaterhouseCoopers LLP

Hartford, CT
January 27, 2014

Norwalk Hospital Association
Consolidated Balance Sheets
September 30, 2013 and 2012

	2013	2012
Assets		
Current assets		
Cash and cash equivalents	\$ 74,375,022	\$ 80,412,466
Investments	8,738,868	8,710,885
Patient accounts receivable, less allowance for doubtful accounts of \$22,000,000 and \$25,100,000, respectively	27,737,360	31,143,215
Due from affiliates, net	1,346,260	4,330,064
Other receivables	3,410,889	389,206
Inventories	2,304,389	2,224,235
Prepaid expenses	1,699,371	2,435,281
Due from third party agencies	-	2,368,715
Assets whose use is limited - required for current liabilities	-	278,083
Total current assets	<u>119,612,159</u>	<u>132,292,150</u>
Assets whose use is limited		
Assets held by trustee under bond indenture agreements	59,708,986	2,366,125
Assets held in trust for self-insurance	327	2,450,281
Total assets whose use is limited	<u>59,709,313</u>	<u>4,816,406</u>
Long-term investments		
Other assets	80,922,925	46,403,962
Noncompete	47,164,396	44,153,712
Due from third party agencies	5,958,797	6,753,304
Notes receivable	2,596,876	3,698,890
Goodwill	912,778	983,780
Investment in joint venture	13,843,749	13,843,749
Beneficial interest in Norwalk Hospital Foundation, Inc	2,267,986	2,267,986
Interest rate swap	45,162,957	49,220,441
Property, plant and equipment	4,554,026	-
Land and land improvements	7,369,891	2,774,613
Buildings	177,642,150	174,778,639
Equipment	253,573,399	244,853,059
Construction in progress	34,252,962	8,602,012
Accumulated depreciation	(311,009,799)	(292,848,758)
Total property, plant and equipment	<u>161,828,603</u>	<u>138,159,565</u>
Total assets	<u>\$ 544,534,565</u>	<u>\$ 442,593,945</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 29,645,094	\$ 26,143,810
Accrued compensation	22,168,309	17,920,526
Due to third party agencies	4,893,626	4,906,972
Due to affiliates	851,758	4,561,656
Accrued interest	818,694	757,682
Current portion of long-term debt	5,190,534	5,674,419
Current portion of capital lease	-	7,180
Total current liabilities	<u>63,568,015</u>	<u>59,972,245</u>
Accrued pension liability	13,061,730	64,741,651
Asset retirement obligation	10,653,327	10,866,380
Other liabilities	56,789,890	55,942,040
Due to third party agencies	28,187,936	28,938,889
Long-term debt, less current portion	<u>125,030,298</u>	<u>56,096,399</u>
Total liabilities	<u>297,291,196</u>	<u>276,557,604</u>
Net assets		
Unrestricted attributable to Norwalk Hospital	206,220,002	121,389,239
Unrestricted attributable to noncontrolling interest	1,388,280	954,530
Temporarily restricted	30,180,235	34,246,719
Permanently restricted	9,454,852	9,445,853
Total net assets	<u>247,243,369</u>	<u>166,036,341</u>
Total liabilities and net assets	<u>\$ 544,534,565</u>	<u>\$ 442,593,945</u>

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

Norwalk Hospital Association
Consolidated Statements of Operations
Years Ended September 30, 2013 and 2012

	2013	2012
Operating revenues		
Net revenues from services to patients	\$ 343,737,280	\$ 344,726,245
Other operating revenues	16,846,309	20,311,534
Total operating revenues	<u>360,583,589</u>	<u>365,037,779</u>
Operating expenses		
Salaries and benefits	192,053,379	182,853,245
Supplies and other expenses	130,173,477	135,560,131
Depreciation	18,969,779	20,644,157
Interest	2,695,623	2,226,437
Support for Norwalk Hospital Foundation, Inc	628,184	1,182,308
Total operating expenses	<u>344,520,442</u>	<u>342,466,278</u>
Income from operations	16,063,147	22,571,501
Nonoperating income (expense)		
Investment income	2,307,725	1,275,016
Net unrealized gain on investments	7,760,507	3,763,749
Loss on sale of equipment	-	(483,772)
Write off financing fees	(246,698)	-
Provision for joint venture investment	-	(461,817)
Total nonoperating income	<u>9,821,534</u>	<u>4,093,176</u>
Excess of revenues over expenses, before noncontrolling interest in joint venture	25,884,681	26,664,677
Change in value attributable to noncontrolling interest in joint venture	<u>(1,345,837)</u>	<u>(283,937)</u>
Excess of revenues over expenses	24,538,844	26,380,740
Other changes in net assets		
Transfers to Norwalk Health Services Corporation	(5,302,411)	(4,501,544)
Transfer of interest of Fairfield County Medical Services, Inc	-	832,443
Transfers from Norwalk Hospital Foundation, Inc	10,627,037	737,532
Funding of operations of Norwalk Hospital Foundation, Inc	(1,155,442)	(889,780)
Pension related changes other than net periodic benefit cost	51,307,939	(6,727,223)
Interest rate swap	4,554,026	-
Net unrestricted other changes in joint venture	(651,317)	-
Non controlling interest in joint venture	1,345,837	283,937
Increase in unrestricted net assets	<u>\$ 85,264,513</u>	<u>\$ 16,116,105</u>

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

Norwalk Hospital Association
Consolidated Statements of Changes in Net Assets
Years Ended September 30, 2013 and 2012

	2013	2012
Unrestricted net assets		
Excess of revenues over expenses	\$ 24,538,844	\$ 26,380,740
Transfers to Norwalk Health Services Corporation	(5,302,411)	(4,501,544)
Transfer of interest of Fairfield County Medical Services, Inc	-	832,443
Transfers from Norwalk Hospital Foundation, Inc	10,627,037	737,532
Funding of operations of Norwalk Hospital Foundation, Inc	(1,155,442)	(889,780)
Pension related changes other than net periodic benefit cost	51,307,939	(6,727,223)
Interest rate swap	4,554,026	-
Net unrestricted other changes in joint venture	(651,317)	-
Non controlling interest in joint venture	<u>1,345,837</u>	<u>283,937</u>
Increase in unrestricted net assets	85,264,513	16,116,105
Temporarily restricted net assets		
Change in beneficial interest in Norwalk Hospital Foundation, Inc	<u>(4,066,484)</u>	<u>12,813,958</u>
(Decrease)/Increase in temporarily restricted net assets	<u>(4,066,484)</u>	<u>12,813,958</u>
Permanently restricted net assets		
Change in beneficial interest in Norwalk Hospital Foundation, Inc	<u>8,999</u>	<u>6,610</u>
Increase in permanently restricted net assets	<u>8,999</u>	<u>6,610</u>
Increase in net assets	<u>81,207,028</u>	<u>28,936,673</u>
Net assets		
Beginning of year	<u>166,036,341</u>	<u>137,099,668</u>
End of year	<u>\$ 247,243,369</u>	<u>\$ 166,036,341</u>

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

Norwalk Hospital Association
Consolidated Statements of Cash Flows
Years Ended September 30, 2013 and 2012

	2013	2012
Operating activities		
Change in net assets	\$ 81,207,028	\$ 28,936,673
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Noncash items		
Depreciation and amortization	18,969,779	20,644,157
(Gain) loss on sale of property, plant and equipment	(15,374)	476,292
Provision for bad debts	18,167,718	23,689,476
Writeoff of investment in joint venture	461,817	
Net realized and unrealized (gain) on investments	(7,759,626)	(3,761,248)
Pension related changes other than net periodic benefit cost	(51,307,939)	6,727,223
Net asset items		
Transfers (from) to Norwalk Hospital Foundation, Inc	(9,471,595)	152,248
Transfer from Norwalk Health Services Corporation	5,302,411	4,501,544
Change in beneficial interest in Norwalk Hospital Foundation, Inc	4,057,484	(12,820,567)
Changes in operating assets and liabilities		
Accounts receivable	(14,761,863)	(17,509,504)
Due from affiliates	(726,094)	2,872,274
Other receivables	(3,021,683)	560,429
Inventories	(80,154)	(259,560)
Prepaid expenses	735,910	350,012
Other assets	(3,010,684)	(43,074,080)
Accounts payable and accrued expenses	(625,963)	4,159,742
Accrued compensation	4,247,783	(1,454,225)
Due to third-party reimbursement agencies, net	2,706,430	11,242,504
Accrued interest	61,012	(51,406)
Accrued pension liability	(371,982)	(2,005,386)
Asset retirement obligation	(213,053)	(642,710)
Other liabilities	847,850	39,423,106
Net cash provided by operating activities	<u>44,937,395</u>	<u>62,618,811</u>
Investing activities		
Net (increase) decrease in assets whose use is limited	(54,615,705)	14,954,705
Purchase of investments	(26,786,439)	(21,131,487)
Additions to property, plant and equipment	(37,772,826)	(34,249,490)
Proceeds from sale of property, plant and equipment	71,137	507,480
Net cash used by investing activities	<u>(119,103,833)</u>	<u>(39,918,792)</u>
Financing activities		
Transfers from (to) Norwalk Hospital Foundation, Inc	9,471,595	(152,248)
Transfers to Norwalk Health Services Corporation	(5,302,411)	(4,501,544)
Payments on notes receivable	71,002	403,892
Proceeds from long-term debt	82,000,000	-
Payments on capital lease	(7,180)	(9,649)
Change in value of interest rate swap	(4,554,026)	-
Payments on long-term debt	(13,549,986)	(4,834,598)
Net cash provided by (used by) financing activities	<u>68,128,994</u>	<u>(9,094,147)</u>
(Decrease)/Increase in cash and cash equivalents	<u>(6,037,444)</u>	<u>13,605,872</u>
Cash and cash equivalents		
Beginning of year	80,412,466	66,806,594
End of year	<u>\$ 74,375,022</u>	<u>\$ 80,412,466</u>
Noncash transactions		
Fixed assets expenditures included in accounts payable	\$ 4,552,535	\$ 499,327
Capitalized interest	1,818,937	559,895

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

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

1. Organization and Significant Accounting Policies

Norwalk Hospital Association (the "Hospital"), a not-for-profit organization incorporated under the General Statutes of the State of Connecticut, is a wholly-owned subsidiary of Norwalk Health Services Corporation. The Board of the Hospital, appointed by Norwalk Health Services Corporation, controls the operations of the Hospital.

Principles of Consolidation

The consolidated Norwalk Hospital Association financial statements include the accounts of the Hospital, and its majority interest in Norwalk Surgery Center, LLC. All significant intercompany accounts and transactions are eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying footnotes. Actual results could differ from those estimates. Significant estimates reflected in the consolidated financial statements include the contractual and bad debt allowances for patient service revenue and the related patient accounts receivable, valuation of the intangible asset from acquisition, estimated revenue settlements due to or from third parties, the asset retirement obligation, reserves for malpractice, workers' compensation and other self-insured liabilities, and benefit plan assumptions.

Income Taxes

The Hospital is a not-for-profit corporation as described in Section 501(c) (3) of the Internal Revenue Code and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Norwalk Surgery Center LLC, is a Limited Liability Corporation and is taxed as a Partnership.

Regulatory Matters

The Hospital is required to file annual operating information with the State of Connecticut Office of Health Care Access ("OHCA").

Cash Equivalents

The Hospital and its subsidiary consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The carrying value of cash equivalents approximates its fair value.

Concentration of Credit Risk

Cash and cash equivalents are maintained with domestic institutions. Management monitors the financial strength of those institutions.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are recorded at fair value, based upon quoted market prices. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess of revenues over expenses unless the income or loss is restricted by donor or law.

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

Fair Value Measurements

The Hospital records investments in the financial statements at fair value. Fair value is a market-based measurement based on assumptions that market participants would use in pricing an assets or liability. As a basis for considering assumptions, a three-tier fair value hierarchy has been established which prioritizes the inputs used to measure fair value. The three levels of the fair value hierarchy under this principle are as follows:

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

Level 2 Inputs to the valuation methodology include

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

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

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

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

The fair values of the Hospital's investments are based on quoted market values

Fair Value Option

The Hospital elected to measure its investments at fair value. Accordingly, unrealized gains and losses on investments are included in excess of revenues over expenses

Assets Whose Use is Limited

Assets limited as to use primarily include assets held by trustees under indenture agreements and assets held by trustee for self insurance

Inventories

Inventories are stated at the lower of cost, determined on the first-in, first-out (FIFO) method, or market

Investments in Joint Ventures

The Hospital has invested in a joint venture which is accounted for under the equity method of accounting

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

Property, Plant and Equipment

Property, plant and equipment are recorded at cost, or if received as a donation, at the fair value on the date received. The Hospital provides for depreciation of property, plant and equipment using the straight-line method in amounts sufficient to amortize the cost of the assets over their estimated useful lives. Useful lives assigned to assets are as follows: Land Improvements – 2–25 years, Buildings – 15–40 years, and Equipment – 3–20 years.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use has been limited by donors to a specific time frame or purpose. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity.

Medical Malpractice Self-Insurance

As of October 1, 2005, the Hospital is insured for general liability and professional liability claims by Maple Street Indemnity Company, Ltd ("MSI"). MSI, a wholly owned subsidiary of Norwalk Health Services Corporation, is a captive insurance company, incorporated under the laws of the Bermuda Monetary Authority. The Hospital has obtained professional liability coverage through MSI of \$35,000,000 per claim and \$48,000,000 in the aggregate. MSI purchases \$30,000,000 of excess reinsurance coverage above a self-insured retention of \$5,000,000 per claim and \$18,000,000 in the aggregate.

Fair Value of Financial Instruments

The carrying value of cash and cash equivalents, short term investments, accounts receivable, other receivables, assets limited as to use, investments, accounts payable and accrued liabilities at the balance sheet dates approximate their fair values. The fair value of long-term debt at the balance sheet dates, based on current market rates for similar debt, was approximately \$137,568,000 and \$70,561,000 in 2013 and 2012, respectively. The carrying value of debt is \$130,221,000 and \$61,771,000 in 2013 and 2012, respectively.

Beneficial Interest in the Norwalk Hospital Foundation, Inc.

The Hospital has recorded its beneficial interest in the net assets of Norwalk Hospital Foundation, Inc (the "Foundation").

Statement of Operations

The consolidated statement of operations includes the excess of revenues over expenses. Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, includes pension-related changes other than net periodic benefit cost, transfers to/from Norwalk Health Services Corporation, and Norwalk Hospital Foundation, Inc, funding of operations of Norwalk Hospital Foundation, Inc, transfer of interest of Fairfield Medical Services, Inc, noncontrolling interest in joint venture, interest rate swap, and net unrestricted other changes in joint venture.

Nonoperating Income

Activities, other than in connection with providing health care services, are considered to be nonoperating. Nonoperating income (expense) primarily consists of investment income, realized and unrealized gains and losses on investments, loss on sale of equipment, write off of financing fees and provision for joint venture.

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

Asset Retirement Obligation

The Hospital records a liability for legal obligations associated with the retirement of tangible long-lived assets when the timing and/or method of settlement of the obligation is conditional on a future event. The fair value of a liability for a conditional asset retirement obligation is recognized in the period in which it occurred if a reasonable estimate of fair value can be made.

Implementation of Accounting Standards

Effective October 1, 2012, the Hospital adopted the provisions of ASU 2011-07, "Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and Allowance for Doubtful Accounts for Certain Health Care Entities," which requires health care entities to change the presentation on their statement of operation by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances discounts). Additionally, the update requires enhanced disclosure about health care entities policies for recognizing revenue and assessing bad debts.

The amendment also requires disclosures of patient service revenue (net of contractual allowances and discounts) as well as qualitative and quantitative information about changes in the allowance for doubtful accounts. In connection with the Corporation's adoption of ASU 2011-07, the Corporation reclassified \$18,167,718 and \$23,689,476 of bad debts for 2013 and 2012 from an operating expense to a deduction from patient service revenue.

Effective October 1, 2011, the Hospital adopted the provisions of ASU 2010-24, "Presentation of Insurance Claims and Related Insurance Recoveries", which clarifies that health care entities should not net insurance recoveries against the related claims liabilities. In connection with the Hospital's adoption of ASU 2010-24, the Hospital recorded an increase in its assets and liabilities of approximately \$45,900,000 in the accompanying Consolidated Balance Sheet as of September 30, 2013.

2. Revenues From Services to Patients and Charity Write-Offs

The following table summarizes revenues from services to patients

	2013	2012
Gross revenues from services to patients	\$ 940,228,761	\$ 922,882,975
Deductions and exclusions		
Allowances	578,323,763	554,467,254
Provision for bad debts	<u>18,167,718</u>	<u>23,689,476</u>
Net revenues from services to patients	<u><u>\$ 343,737,280</u></u>	<u><u>\$ 344,726,245</u></u>

Revenues and patient accounts receivable are recorded when patient services are performed. Amounts received from certain payors are different from established billing rates, and these differences are accounted for as allowances.

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered. Revenue under third-party payor agreements is subject to audit and retroactive adjustments. Provisions for estimated third-party payor settlements and adjustments are estimated in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

Inpatient acute care services rendered to Medicare program recipients are paid at prospectively determined rates per discharge varying according to the intensity of services required. Inpatient acute care services are paid based on Diagnosis-Related Groups ("DRG"), inpatient rehabilitation services are paid based on Case Mix Groups ("CMG"), and inpatient psychiatry services are paid on a prospective per diem rate. Outpatient services are reimbursed by Medicare on an Ambulatory Payment Classification ("APC") basis and fee screens. Hospital claims for reimbursement are subject to review and audit. The Hospital's Medicare costs reports have been final settled with the Medicare fiscal intermediary through 2010.

Inpatient Medicaid reimbursement through the Connecticut Department of Social Services ("DSS") is reimbursed on a per diem basis with settlement cost reports based on discharges filed in the subsequent fiscal year. Outpatient activity through DSS is reimbursed based on fee schedules in effect at the time the service is provided. Managed Medicaid services are reimbursed according to per diems and fee schedules in place at the time the service is provided.

The Hospital has agreements with various Health Maintenance Organizations (HMOs) to provide medical services to subscribing participants. Under these agreements, the Hospital receives fee-for-service payments for covered services based upon discounted fee schedules.

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 net revenue from patients and third-party payors at September 30, 2013 and 2012 are as follows:

	2013	2012
Commercial/other	59 %	60 %
Medicare	29	28
Self pay	1	1
Medicaid	11	11
	<hr/> 100 %	<hr/> 100 %

The mix of net receivables from patients and third-party payors at September 30, 2013 and 2012 are as follows:

	2013	2012
Commercial/other	62 %	63 %
Medicare	28	28
Self pay	2	1
Medicaid	8	8
	<hr/> 100 %	<hr/> 100 %

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and are subject to interpretation. While the Hospital believes it is in compliance with all such applicable laws and regulations, as referenced in footnote 11, compliance with such laws and regulations is subject to government review and interpretation and can result in significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. As a result, there is at least a reasonable possibility that recorded estimates can change by material amounts. In addition, changes in the Medicare and Medicaid programs and the reduction of funding levels could have an adverse impact on the Hospital.

The Hospital accepts all patients regardless of their ability to pay. A patient is classified as a charity patient by reference to the established policies of the Hospital. These policies define charity services as those services for which no payment is anticipated. In assessing a patient's ability to pay, the Hospital utilizes the generally recognized poverty income levels for the state, but also includes certain cases where incurred charges are significant when compared to income published in the Federal Register. For the years ended September 30, 2013 and 2012, the Hospital provided charity care of approximately \$18,272,000 and \$17,929,000, respectively, in charges.

3. Investments

Investments are stated at fair value. The composition of investments as of September 30 is as follows:

	2013	2012
General investments		
Cash and cash equivalents	\$ 8,738,868	\$ 8,710,885
Mutual funds	<u>80,922,925</u>	<u>46,403,962</u>
	<u>89,661,793</u>	<u>55,114,847</u>
Assets held in trust for self-insurance		
Cash and cash equivalents	<u>327</u>	<u>2,450,281</u>
	<u>327</u>	<u>2,450,281</u>
Assets held by trustee per bond indenture		
Cash and cash equivalents	59,708,986	2,366,616
U S Treasury obligations	-	277,592
	<u>\$ 59,708,986</u>	<u>\$ 2,644,208</u>

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

As described in Note 1, investments are recorded at fair value. The Hospital endeavors to utilize the best available information in measuring fair value. The following table presents the financial instruments carried at fair value.

	2013			
	Level 1	Level 2	Level 3	Fair Value
General investments				
Cash and cash equivalents	\$ 8,738,868	\$ -	\$ -	\$ 8,738,868
Mutual funds	80,922,925	-	-	80,922,925
	<u>89,661,793</u>	<u>-</u>	<u>-</u>	<u>89,661,793</u>
Assets whose use is limited				
Cash and cash equivalents	59,709,313	-	-	59,709,313
U.S. Treasury obligations	-	-	-	-
	<u>59,709,313</u>	<u>-</u>	<u>-</u>	<u>59,709,313</u>
	<u>\$ 149,371,106</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,371,106</u>
	2012			
	Level 1	Level 2	Level 3	Fair Value
General investments				
Cash and cash equivalents	\$ 8,710,885	\$ -	\$ -	\$ 8,710,885
Mutual funds	46,403,962	-	-	46,403,962
	<u>55,114,847</u>	<u>-</u>	<u>-</u>	<u>55,114,847</u>
Assets whose use is limited				
Cash and cash equivalents	4,816,897	-	-	4,816,897
U.S. Treasury obligations	277,592	-	-	277,592
	<u>5,094,489</u>	<u>-</u>	<u>-</u>	<u>5,094,489</u>
	<u>\$ 60,209,336</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,209,336</u>

There were no transfers of assets between levels for the year ended September 30, 2013.

Interest income and net realized gains and losses from investments, cash equivalents, and other investments comprise the following:

	2013	2012
Investment return		
Interest income	\$ 2,317,367	\$ 1,291,916
Net realized (losses) gains on sales of securities	(881)	(2,502)
	<u>\$ 2,316,486</u>	<u>\$ 1,289,414</u>

The Hospital has recorded \$2,307,725 and \$1,275,016 of the investment return as nonoperating gains for the years ended September 30, 2013 and 2012, respectively. The remaining investment income in 2013 and 2012 has been recorded as other operating revenues as certain investments relate to operating activities of the Hospital.

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

4. Leases

The Hospital leases property and equipment under noncancelable operating leases that expire in various years through 2028. Certain leases may be renewed at the end of their term.

Future minimum payments under noncancelable operating leases, and future receipts under noncancelable subleases where the Hospital is receiving rental receipts, with initial terms of one year or more consisted of the following at September 30, 2013:

	Operating Lease Payments	Sublease Rental Receipts
2014	\$ 7,248,000	\$ 2,821,000
2015	7,258,000	2,888,000
2016	7,342,000	2,948,000
2017	7,148,000	3,022,000
2018	7,045,000	3,040,000
Thereafter	<u>55,404,000</u>	<u>5,692,000</u>
	<u>\$ 91,445,000</u>	<u>\$ 20,411,000</u>

Rental expense was approximately \$8,778,000 and \$9,153,000 for the years ended September 30, 2013 and 2012, respectively. Rental expense was offset by rental revenue of approximately \$2,918,000 and \$2,909,000, respectively.

5. Goodwill and Intangibles

In 2011, the Hospital recorded goodwill of \$13,843,749 related to the acquisition of Norwalk Radiology and Mammography Center ("NRMC"). The Hospital assesses the goodwill for impairment on an annual basis. There is no impairment as of September 30, 2013 and 2012.

The Hospital is amortizing the noncompete intangible over the ten year length of the noncompete agreement on a straight-line basis. Accumulated amortization as of September 30, 2013 amounted to \$1,986,266.

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

6. Long-Term Debt

The following table summarizes the long-term debt outstanding as of September 30, 2013

	Norwalk Hospital	Norwalk Surgery Center, LLC	Total
2014	\$ 4,508,589	\$ 681,945	\$ 5,190,534
2015	6,316,051	716,426	7,032,477
2016	6,769,094	752,421	7,521,515
2017	6,666,222	790,694	7,456,916
2018	6,180,000	409,390	6,589,390
Thereafter	<u>96,430,000</u>	<u>-</u>	<u>96,430,000</u>
	126,869,956	3,350,876	130,220,832
Less Current portion of long-term debt	<u>4,508,589</u>	<u>681,945</u>	<u>5,190,534</u>
Long-term debt	\$ 122,361,367	\$ 2,668,931	\$ 125,030,298

During 2013 and 2012, the Hospital paid interest of \$4,287,869 and \$2,637,137, respectively, on its long-term debt obligations. Interest capitalized for the years ended September 30, 2013 and 2012 was approximately \$1,819,000 and \$560,000, respectively.

On December 7, 2012, the Hospital financed a portion of the construction of an outpatient pavilion and other equipment through the issuance of the State of Connecticut Health and Educational Facilities Authority ("CHEFA") Revenue Bonds, Series J, in the original principal amount of \$82,000,000. Interest only payments are required for the first two years of the Series J Bonds. Thereafter, monthly payments of principal and interest are required in accordance with the repayment schedule. The Series J Bonds are subject to mandatory tender on December 1, 2024. The Series J Bonds bear interest at a rate per annum equal to 70% of the sum of the one-month LIBOR Rate plus 300 basis points. The interest rate on the Series J Bonds is reset monthly. The repayment of the Series J Bonds is secured by the Gross Receipts pledged by the Hospital and the Foundation (collectively, the "Obligated Group") under the Amended and Restated Master Trust Indenture dated as of December 1, 2012 (the "Master Indenture"). Norwalk Health Care, Inc withdrew as a member of the Obligated Group on December 7, 2012.

On December 7, 2012, the Obligated Group entered into an interest rate swap agreement and confirmation with respect to the Series J Bonds. The swap confirmation has a notional amount of \$82,000,000. Under the terms of the confirmation, the Hospital pays a fixed rate of 1.2343% to a counterparty and the counterparty pays a variable rate of 70% of one-month LIBOR to the Obligated Group. The payments under the swap confirmation are based on the outstanding notional amount, the notional amount will amortize at the same rate as the Series J Bonds. The payments under the swap confirmation effectively produce a synthetic fixed rate of 3.3343% on the Series J Bonds through December 1, 2024. The Obligated Group entered into the interest rate swap to reduce interest rate volatility on the Series J Bonds.

In December 2012, available Hospital and other funds were deposited in an escrow account established for the redemption of CHEFA Revenue Bonds, Series E, issued in April of 1999. The outstanding Series E Bonds, \$8,560,000 were then redeemed on January 7, 2013 (the "Redemption Date") at a price of 100% of the principal amount plus accrued interest to the Redemption Date.

Norwalk Hospital Association
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In 2011, the Hospital financed the construction of the parking garage and other equipment through a private placement of CHEFA Revenue Bonds, Series G, H and I, in the aggregate principal amount of \$46,840,000. The repayment of the Series G, H and I Bonds is also secured by the Obligated Group's pledge of Gross Receipts under the Master Indenture.

The Series G Bonds totaling \$25,000,000 mature serially through 2025 with interest at an annual rate of 5.12%. Interest on the bonds is payable semi-annually each June and December 1. As of September 30, 2013, the Series G outstanding debt is \$22,650,000.

The Series H Bonds totaling \$10,040,000 mature serially through 2020 with interest at an annual rate of 3.49%. Interest on the bonds is payable semi-annually each June and December 1. As of September 30, 2013, the Series H outstanding debt is \$8,300,000.

The Series I Bonds totaling \$11,800,000 mature serially through 2020 with interest at an annual rate of 3.4%. Interest on the bonds is payable semi-annually each June and December 1. As of September 30, 2013, the Series I outstanding debt is \$9,750,000.

The outstanding principal amount of outstanding CHEFA bond debt at September 30, 2013 and 2012 is \$122,700,000 and \$52,395,000, respectively.

In 2011, Norwalk Surgery Center, LLC obtained a \$4,000,000 seven year term loan from The Bank of Fairfield. The loan bears interest at a fixed rate of 4.875%. Monthly payments of interest only are required for the first 18 months of the loan. Thereafter, monthly payments of principal and interest are required based upon a five and one-half year amortization schedule. The loan is secured by a first lien on all business assets of Norwalk Surgery Center, LLC. As of September 30, 2013, the term loan outstanding debt is \$3,350,876.

In 2007, the Hospital financed certain equipment related to an energy project through CHEFA, which issued \$9,066,025 in debt under a Master Financing Agreement (the "Agreement"), dated as of April 1, 2007 with Bank of America Public Capital Corp as the lender (the "Lender"). The loan is payable in 120 equal installments of \$93,432 beginning June 3, 2007, with interest of 4.38%. The Hospital has granted a collateral interest to the Lender in the equipment financed. As of September 30, 2013, the CHEFA outstanding debt is \$3,767,601.

In connection with this borrowing, the Hospital applied to the Department of Public Utility Control ("DPUC") for a capital grant for customer-side distributed resources. Pursuant to the application, DPUC has approved a rate reduction subsidy with regard to certain of the equipment financed under this Agreement. Effective July 3, 2010, the rate reduction subsidy of \$1,302 per month is remitted by the Connecticut Light and Power Company directly to the Lender.

In 2007, the Hospital entered into an agreement with the Connecticut Hospital Association Trust (the "Trust") to borrow up to \$2,000,000 from the energy conservation and loan management loan fund. The loan, which is interest free, will enable the Hospital to convert electrical energy and to manage its electrical energy needs. The loan is payable in 84 equal monthly installments of \$22,462, beginning April 1, 2008. As of September 30, 2013 and 2012, the Trust outstanding debt was \$402,356 and \$671,926, respectively.

Norwalk Hospital Association
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7. Benefit Plans

The Hospital has a defined benefit pension plan covering all eligible employees. The benefits are based on years of service and the employee's average compensation (as defined in the Plan document). The Hospital's funding policy is to contribute, at a minimum, for each plan year, an amount necessary to satisfy the Employee Retirement Income Security Act ("ERISA") minimum funding requirements.

Effective September 30, 2013, the Plan was frozen for all purposes (except as provided below) for those Participants who are not covered by the collective bargaining agreement between the Hospital and the Connecticut Health Care Associates, National Union of Hospital and Health Care Employees, AFSCME, AFL-CIO Nurses' Union ("Non-Union Participants"). This means that no Non-Union Participants shall accrue benefits under the plan after September 30, 2013 and no compensation or service after that date shall be taken into account in determining such participants' accrued benefits under the plan, provided, however, that interest credits shall continue to be credited as required by applicable law. Plan Participants who are members of the Connecticut Health Care Associates, National Union of Hospital and Health Care Employees, AFSCME, AFL-CIO Nurses' Union, and who were employed by the Hospital on or before December 31, 2006 (when the Plan was frozen for all new hires), shall continue to accrue benefits under the Plan.

Effective December 31, 2006, the plan was amended to provide that no employees hired on or after January 1, 2007, would be eligible to participate in the Plan. Employees hired before that date, who satisfied the Plan's eligibility requirements, participated and earned benefits under the plan until it was frozen as described above.

Amounts included as a reduction of unrestricted net assets that are not yet recognized as a component of net periodic benefit cost are as follows:

	2013	2012
Net actuarial loss	\$ 51,115,314	\$ 101,904,421
Prior service cost	- <hr/>	518,832 <hr/>
	<u>\$ 51,115,314</u>	<u>\$ 102,423,253</u>

The amount of prior service cost and actuarial loss expected to be recognized in net periodic benefit cost in 2013 is \$6,375,980.

Norwalk Hospital Association
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The following is a summary of the changes in the projected benefit obligation and plan assets

	2013	2012
Accumulated benefit obligation	\$ 192,676,388	\$ 210,119,166
Change in projected benefit obligation		
Benefit obligation, beginning of year	\$ 229,432,752	\$ 199,263,628
Service cost	7,630,858	6,630,998
Interest cost	8,808,951	9,167,766
Actuarial (gain) loss	(28,825,271)	22,832,432
Curtailments	(10,401,838)	-
Benefits paid	(8,569,105)	(8,462,072)
Benefit obligation, end of year	<u>198,076,347</u>	<u>229,432,752</u>
Change in plan assets		
Fair value of plan assets, beginning of year	164,691,101	139,243,814
Actuarial return on plan assets	18,892,624	23,909,359
Contributions	9,999,997	10,000,000
Benefits paid	(8,569,105)	(8,462,072)
Fair value of plan assets, end of year	<u>185,014,617</u>	<u>164,691,101</u>
Funded status and accrued pension liability	<u><u>\$ (13,061,730)</u></u>	<u><u>\$ (64,741,651)</u></u>

Components of net periodic benefit cost for the years ended September 30

	2013	2012
Service cost	\$ 7,630,858	\$ 6,630,998
Interest cost	8,808,954	9,167,766
Expected return on plan assets	(13,187,774)	(12,626,442)
Net amortization and deferral	6,375,980	4,822,292
Net periodic benefit cost	<u>\$ 9,628,018</u>	<u>\$ 7,994,614</u>

Assumptions

The weighted-average assumptions used to determine the year-end benefit obligation at September 30, 2013 and 2012 are as follows

	2013	2012
Discount rate	4 90 %	3 90 %
Rate of compensation increase	3 50 %	3 50 %

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

The weighted-average assumptions used to determine net periodic benefit cost for the years ended September 30 are as follows

	2013	2012
Discount rate	3 90 %	4 68 %
Expected return on assets	8 00	8 00
Rate of compensation increase	3 50	3 50

The Hospital's expected long-term rate of return on assets assumption is derived from a review of anticipated future long-term performance of individual asset classes and consideration of the appropriate asset allocation strategy given the anticipated requirements of the plan to determine the average rate of earnings expected on the funds invested to provide for the pension plan benefits. While the review gives appropriate consideration to recent fund performance and historical returns, the assumption is primarily a long-term, prospective rate.

Plan Assets

The Hospital's pension plan asset allocations at September 30, 2013 and 2012 are as follows

Asset category	2013	2012
Equity securities	64 %	60 %
Debt securities	36	40
	<hr/> 100 %	<hr/> 100 %

The Hospital maintains target allocation percentages among various asset classes based on an investment policy established for the pension plan which is designed to achieve, long-term objectives of return, while mitigating against downside risk and considering expected cash flows. The current weighted-average target asset allocation is 64% equity securities and 36% debt securities. The investment policy is reviewed from time to time to ensure consistency with the long-term objective of funding the plan to a level sufficient to pay benefits as they become due.

The defined benefit plan assets categorization is based upon the lowest level of input that is significant to the fair value measurement within the valuation hierarchy. The following table summarizes the Hospital's fair values of investments by major type held by the defined benefit plan at September 30.

	2013			
	Level 1	Level 2	Level 3	Fair Value
Cash and cash equivalents	\$ 2,728,276	\$ -	\$ -	\$ 2,728,276
Mutual funds	182,045,103	-	-	182,045,103
Unallocated immediate participation group annuity contract	-	167,322	-	167,322
	<hr/> \$ 184,773,379	<hr/> \$ 167,322	<hr/> \$ -	<hr/> \$ 184,940,701

Contributions

The Hospital expects to contribute \$6,500,000 to the plan in fiscal 2014.

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

Estimated Future Benefit Payments

The following future benefit payments are expected to be paid

Fiscal Years	Benefit Payments
2014	\$ 7,627,000
2015	7,917,000
2016	8,272,000
2017	8,685,000
2018	9,198,000
2019 - 2022	<u>56,948,000</u>
	<u>\$ 98,647,000</u>

The Hospital also sponsors a defined contribution savings plan covering substantially all of its employees. Effective January 1, 2007, the plan was split into two parts. Part I is for eligible employees who have a date of employment on or before December 31, 2006. Part II is for eligible employees who have a date of employment on January 1, 2007 or thereafter. Elective deferrals and after tax contributions are made pursuant to a salary reduction agreement for Part I and Part II employees.

For Part I employees, the Hospital provides a partial matching contribution on the first 3% of an employee's elective deferred and/or after tax contributions.

For Part II employees, the Hospital provides a partial matching contribution on the first 3% of an employee's elective deferral and/or after tax contributions. Part II employees will also receive a required employer contribution equal to 3% of such employee's compensation.

Expense related to the Hospital's defined contribution plan was approximately \$3,456,000 and \$3,189,000 for the years ended September 30, 2013 and 2012, respectively.

8. Temporarily and Permanently Restricted Net Assets

The Hospital's temporarily and permanently restricted net assets represent its beneficial interest in the Foundation.

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

	2013	2012
Healthcare services	\$ 30,180,235	\$ 34,246,719

Permanently restricted net assets at September 30, 2013 and 2012 are restricted to:

	2013	2012
Healthcare services	\$ 9,454,852	\$ 9,445,852

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

9. Transactions with Affiliates

The Hospital records other operating revenues from an affiliated entity, Norwalk Health Care, Inc., a wholly owned subsidiary of Norwalk Health Services Corporation. Revenues for services provided to this entity, at cost, totaled approximately \$0 and \$0 in 2013 and 2012, respectively.

Following are the balances due from (to) affiliates

	2013	2012
Norwalk Health Care, Inc	\$ 24,140	\$ -
Norwalk Hospital Physicians & Surgeons	(240,105)	4,139,259
Norwalk Health Services Corporation	(606,892)	(4,501,544)
Norwalk Hospital Foundation, Inc	1,322,120	190,805
SWC Corporation	(4,761)	(60,112)
	<hr/> <u>\$ 494,502</u>	<hr/> <u>\$ (231,592)</u>

10. Transfer of Assets to Norwalk Surgery Center, LLC

On May 31, 2012, The Hospital transferred assets associated with its offsite ambulatory surgery business to Norwalk Surgery Center, LLC. The Hospital owned 64.11% and 70.00% of Norwalk Surgery Center, LLC at September 30, 2013 and 2012, respectively. The Hospital recorded a gain on the sale of the assets to Norwalk Surgery Center, LLC of \$3,838,416 which is eliminated in consolidation.

11. Transfer of Interest in Norwalk Hospital Physicians and Surgeons

On October 1, 2011, The Hospital transferred its interest in Fairfield County Medical Services, Inc. to Norwalk Health Services Corporation. The Hospital recorded an entry for \$832,000 to reverse the deficit previously recorded in net assets. Subsequent to the transfer of interest, Fairfield County Medical Services, Inc. changed its name to Norwalk Hospital Physicians & Surgeons, Inc.

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

12. Noncontrolling Interest

The Hospital adopted ASU *Not-for-Profit Entities Mergers and Acquisitions*. This guidance impacts the financial statement treatment of noncontrolling interests in consolidated entities. This guidance requires the Hospital to report noncontrolling interests in consolidated entities as a separate component of net assets on the Balance Sheet and the change in net assets attributable to the noncontrolling interests separately within the *Statements of Changes in Net Assets*. The Hospital has consolidated noncontrolling interests relating to its investment in Norwalk Surgery Center, LLC under ASU 2010 - 7. These noncontrolling interests represent the portion of the Norwalk Surgery Center, LLC not controlled by the Hospital, but are required to be presented on the Hospital's balance sheet under generally accepted accounting principles. These interests were approximately \$1,388,000 as of September 30, 2013.

Changes in Consolidated Unrestricted Net Assets Attributable to Norwalk Hospital are as follows,

	Norwalk Hospital	Non-Controlling Interest	Total
Balances at September 30, 2011	\$ 105,557,071	\$ 670,593	\$ 106,227,664
Excess of revenues over expenses (from continuing operations)	26,380,740	283,937	26,664,677
Other changes	(10,548,572)	-	(10,548,572)
Changes in unrestricted net assets	<u>15,832,168</u>	<u>283,937</u>	<u>16,116,105</u>
Balances at September 30, 2012	121,389,239	954,530	122,343,769
Excess of revenues over expenses (from continuing operations)	24,538,844	1,345,837	25,884,681
Other changes	60,291,919	(912,087)	59,379,832
Changes in unrestricted net assets	<u>84,830,763</u>	<u>433,750</u>	<u>85,264,513</u>
Balances at September 30, 2013	<u>\$ 206,220,002</u>	<u>\$ 1,388,280</u>	<u>\$ 207,608,282</u>

13. Commitments and Contingencies

Various lawsuits and claims arising in the normal course of operations are pending or are in progress against the Hospital. While the outcomes of the lawsuits and claims cannot be determined at this time, management believes that any loss that may arise from these lawsuits and claims will not have a material adverse effect on the financial position or on the net assets of the Hospital.

The Hospital has received requests for information from governmental authorities relating to, among other things, patient billings. These requests relate to compliance with certain laws and regulations. Management is cooperating with these governmental authorities in their information requests and ongoing investigations. While management does not believe that any of these inquiries or investigations will result in a material future loss, the ultimate results of these inquiries and investigations, including the impact on the Hospital, cannot be determined at this time.

The Hospital has outstanding commitments on contracts to construct the outpatient pavilion in the amount of \$71 million at September 30, 2013. Funding for this project is expected to come from working capital, capital campaign proceeds and CHEFA Series J bond proceeds.

The Hospital has recorded as purchase consideration an additional \$1,914,723 which represents SWC investment in the Joint Venture at the time of sale and an accrual of \$1,000,000 as an estimate of the potential earn out based on volume. This earn out is also recorded as a liability.

Norwalk Hospital Association
Notes to Consolidated Financial Statements
September 30, 2013 and 2012

14. Functional Expenses

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

	2013	2012
Health care services	\$ 220,982,128	\$ 256,975,077
General and administrative	<u>123,538,314</u>	<u>109,180,677</u>
	<u><u>\$ 344,520,442</u></u>	<u><u>\$ 366,155,754</u></u>

15. Subsequent Events

The Hospital and its subsidiary have performed an evaluation of subsequent events through January 27, 2014, the date the financial statements were issued, and noted the following subsequent event

On January 1, 2014 (the Transaction Date), Western Connecticut Health Network (WCHN) became the sole corporate member of Norwalk Health Services Corporation and a corporate affiliation was completed. WCHN will account for this business combination by applying the acquisition method and, accordingly the inherent contribution received will be valued as the excess of assets acquired and liabilities assumed. All assets and liabilities will be revalued to fair value as of January 1, 2014. As of the date these consolidated financial statements were issued, management is preparing the initial accounting for the acquisition.

Supplementary Consolidating Information

Norwalk Hospital Association
Supplementary Consolidating Balance Sheet
Year Ended September 30, 2013

	Norwalk Hospital Association	Norwalk Surgery Center LLC	Eliminations	Consolidated
Assets				
Current assets				
Cash and cash equivalents	\$ 73,750,817	\$ 624,205	\$ -	\$ 74,375,022
Investments	8,738,868	-	-	8,738,868
Patient accounts receivable, net	26,795,462	941,898	-	27,737,360
Other receivables	3,410,889	-	-	3,410,889
Due from affiliates, net	1,346,260	-	-	1,346,260
Inventories	1,845,044	459,345	-	2,304,389
Prepaid expenses	1,589,839	109,532	-	1,699,371
Due from third party agencies	-	-	-	-
Assets whose use is limited - required for current liabilities	-	-	-	-
	117,477,179	2,134,980		119,612,159
Total current assets				
Assets limited as to use				
Assets held by trustee per bond indenture	-	-	-	59,708,986
Assets held in trustee for self-insurance	59,709,327	-	-	327
	59,709,313			59,709,313
Total assets whose use is limited				
Long-term investments				
Other assets	80,922,925	-	-	80,922,925
Noncompete	47,152,691	11,705	-	47,164,396
Due from third party agencies	5,958,797	-	-	5,958,797
Notes receivable	2,596,876	-	-	2,596,876
Goodwill	912,778	-	-	912,778
Investment in joint venture	13,843,749	4,142,240	(4,142,240)	13,843,749
Beneficial interest in Norwalk Hospital Foundation, Inc	2,267,986	-	-	2,267,986
Interest rate swap	45,162,957	-	-	45,162,957
Property, plant and equipment	4,554,026	-	-	4,554,026
Land and land improvements	7,369,891	-	-	7,369,891
Buildings	177,642,150	-	-	177,642,150
Equipment	251,254,314	2,015,261	303,824	253,573,399
Construction in progress	34,252,962	-	-	34,252,962
Accumulated depreciation	(310,387,551)	(622,248)	-	(311,009,799)
Total property, plant and equipment	160,131,766	1,393,013	303,824	161,828,603
Total assets	\$ 540,691,043	\$ 7,681,938	\$ (3,838,416)	\$ 544,534,565

Norwalk Hospital Association
Supplementary Consolidating Balance Sheet
Year Ended September 30, 2013

	Norwalk Hospital Association	Norwalk Surgery Center LLC	Eliminations	Consolidated
Liabilities and Net Assets				
Current liabilities				
Accounts payable and accrued expenses	\$ 29,302,635	\$ 342,459	\$ -	\$ 29,645,094
Salaries, wages, payroll taxes and amounts withheld from employees	22,048,375	119,934	-	22,168,309
Due to third party agencies	4,893,626	-	-	4,893,626
Due to affiliates, net	851,758	-	-	851,758
Accrued interest payable	818,694	-	-	818,694
Current portion of long-term debt	4,508,589	681,945	-	5,190,534
Total current liabilities	<u>62,423,677</u>	<u>1,144,338</u>	<u>-</u>	<u>63,568,015</u>
Accrued pension liability				
Asset retirement obligation	13,061,730	-	-	13,061,730
Other liabilities	10,653,327	-	-	10,653,327
Due to third party agencies	56,789,890	-	-	56,789,890
Long-term debt, less current portion	28,187,936	-	-	28,187,936
Total liabilities	<u>122,361,367</u>	<u>2,668,931</u>	<u>-</u>	<u>125,030,298</u>
Net assets (deficit)				
Unrestricted	206,189,749	3,868,669	(3,838,416)	206,220,002
Unrestricted attributable to noncontrolling interest in joint venture	1,388,280	-	-	1,388,280
Temporarily restricted	30,180,235	-	-	30,180,235
Permanently restricted	9,454,852	-	-	9,454,852
Total net assets	<u>247,213,116</u>	<u>3,868,669</u>	<u>(3,838,416)</u>	<u>247,243,369</u>
Total liabilities and net assets	<u>\$ 540,691,043</u>	<u>\$ 7,681,938</u>	<u>\$ (3,838,416)</u>	<u>\$ 544,534,565</u>

Norwalk Hospital Association
Supplementary Consolidating Statement of Operations
Year Ended September 30, 2013

	Norwalk Hospital Association	Norwalk Surgery Center LLC	Eliminations	Consolidated
Operating revenues				
Net revenues from services to patients	\$ 334,131,914	\$ 9,605,366	\$ -	\$ 343,737,280
Other operating revenues	16,843,048	3,261	-	16,846,309
Total operating revenues	350,974,962	9,608,627		360,583,589
Operating expenses				
Salaries and benefits	190,069,219	1,984,160	-	192,053,379
Supplies and other expenses	127,118,855	3,054,622	-	130,173,477
Depreciation and amortization	18,635,476	334,303	-	18,969,779
Interest	2,529,391	166,232	-	2,695,623
Support for Norwalk Hospital Foundation, Inc	628,184	-	-	628,184
Total operating expenses	338,981,125	5,539,317		344,520,442
Income from operations	11,993,837	4,069,310	-	16,063,147
Nonoperating income (expense)				
Investment income	2,302,857	4,868	-	2,307,725
Net unrealized gain on investments	7,760,507	-	-	7,760,507
Write off financing fees	(246,698)	-	-	(246,698)
Total nonoperating income	9,816,666	4,868		9,821,534
Excess of revenues over expenses, before noncontrolling interest in joint venture	21,810,503	4,074,178	-	25,884,681
Change in value attributable to noncontrolling interest in joint venture		(1,345,837)	-	(1,345,837)
Excess of revenues over expenses	21,810,503	2,728,341	-	24,538,844
Other changes in net assets				
Transfers to Norwalk Health Services Corporation	(5,302,411)	-	-	(5,302,411)
Transfers from Norwalk Hospital Foundation, Inc	10,627,037	-	-	10,627,037
Funding of operations of Norwalk Hospital Foundation, Inc	(1,155,442)	-	-	(1,155,442)
Pension related changes other than net periodic benefit cost	51,307,939	-	-	51,307,939
Change in value of interest rate swap	4,554,026	-	-	4,554,026
Net unrestricted other changes in joint venture	2,735,957	(3,387,274)	-	(651,317)
Noncontrolling interests in joint venture		1,345,837	-	1,345,837
Increase in unrestricted net assets	\$ 84,577,609	\$ 686,904	\$ -	\$ 85,264,513

Norwalk Hospital Association
Supplementary Consolidating Balance Sheet
Year Ended September 30, 2012

	Norwalk Hospital Association	Norwalk Surgery Center LLC	Fairfield County Medical Services, Inc.	Eliminations	Consolidated
Assets					
Current assets					
Cash and cash equivalents	\$ 79,838,027	\$ 574,439	\$ -	\$ -	\$ 80,412,466
Investments	8,710,885	-	-	-	8,710,885
Patient accounts receivable, net	30,103,755	1,039,460	-	-	31,143,215
Other receivables	389,206	-	-	-	389,206
Due from affiliates, net	4,330,064	-	-	-	4,330,064
Inventories	1,860,656	363,579	-	-	2,224,235
Prepaid expenses	2,373,762	61,519	-	-	2,435,281
Due from third party agencies	2,368,715	-	-	-	2,368,715
Assets whose use is limited - required for current liabilities	278,083	-	-	-	278,083
Total current assets	<u>130,253,153</u>	<u>2,038,997</u>	<u>-</u>	<u>-</u>	<u>132,292,150</u>
Assets limited as to use					
Assets held by trustee per bond indenture	2,366,125	-	-	-	2,366,125
Assets held in trustee for self-insurance	2,450,281	-	-	-	2,450,281
Total assets whose use is limited	<u>4,816,406</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,816,406</u>
Long-term investments					
Other assets	46,403,962	-	-	-	46,403,962
Noncompete	44,141,095	12,617	-	-	44,153,712
Due from third party agencies	6,753,304	-	-	-	6,753,304
Notes receivable	3,698,890	-	-	-	3,698,890
Goodwill	983,780	-	-	-	983,780
Investment in joint venture	13,843,749	4,142,240	(4,142,240)	-	13,843,749
Beneficial interest in Norwalk Hospital Foundation, Inc	2,267,986	-	-	-	2,267,986
Property, plant and equipment	49,220,441	-	-	-	49,220,441
Land and land improvements	2,774,613	-	-	-	2,774,613
Buildings	174,778,639	-	-	-	174,778,639
Equipment	242,977,946	1,571,289	-	303,824	244,853,059
Construction in progress	8,602,012	-	-	-	8,602,012
Accumulated depreciation	(292,559,901)	(288,857)	-	-	(292,848,758)
Total property, plant and equipment	<u>136,573,309</u>	<u>1,282,432</u>	<u>-</u>	<u>303,824</u>	<u>138,159,565</u>
Total assets	<u>\$ 438,956,075</u>	<u>\$ 7,476,286</u>	<u>\$ -</u>	<u>\$ (3,838,416)</u>	<u>\$ 442,593,945</u>

Norwalk Hospital Association
Supplementary Consolidating Balance Sheet
Year Ended September 30, 2012

	Norwalk Hospital Association	Norwalk Surgery Center LLC	Fairfield County Medical Services, Inc.	Eliminations	Consolidated
Liabilities and Net Assets					
Current liabilities					
Accounts payable and accrued expenses	\$ 25,888,666	\$ 255,144	\$ -	\$ -	\$ 26,143,810
Salaries, wages, payroll taxes and amounts withheld from employees	17,881,149	39,377	-	-	17,920,526
Due to third party agencies	4,906,972	-	-	-	4,906,972
Due to affiliates, net	4,561,656	-	-	-	4,561,656
Accrued interest payable	757,682	-	-	-	757,682
Current portion of long-term debt	5,025,862	648,557	-	-	5,674,419
Current portion of capital lease	7,180	-	-	-	7,180
	<u>59,029,167</u>	<u>943,078</u>			<u>59,972,245</u>
Total current liabilities					
Accrued pension liability	64,741,651	-	-	-	64,741,651
Asset retirement obligation	10,866,380	-	-	-	10,866,380
Other liabilities	55,942,040	-	-	-	55,942,040
Due to third party agencies	28,938,889	-	-	-	28,938,889
Long-term debt, less current portion	52,744,956	3,351,443	-	-	56,096,399
	<u>272,263,083</u>	<u>4,294,521</u>			<u>-</u>
Total liabilities					<u>276,557,604</u>
Net assets (deficit)					
Unrestricted	122,045,890	3,181,765	-	(3,838,416)	121,389,239
Unrestricted attributable to noncontrolling interest in joint venture	954,530	-	-	-	954,530
Temporarily restricted	34,246,719	-	-	-	34,246,719
Permanently restricted	9,445,853	-	-	-	9,445,853
Total net assets	<u>166,692,992</u>	<u>3,181,765</u>		(3,838,416)	<u>166,036,341</u>
Total liabilities and net assets	<u>\$ 438,956,075</u>	<u>\$ 7,476,286</u>		<u>\$ (3,838,416)</u>	<u>\$ 442,593,945</u>

Norwalk Hospital Association
Supplementary Consolidating Statement of Operations
Year Ended September 30, 2012

	Norwalk Hospital Association	Norwalk Surgery Center LLC	Fairfield County Medical Services, Inc.	Eliminations	Consolidated
Operating revenues					
Net revenues from services to patients	\$ 339,737,400	\$ 4,988,845	\$ 942		\$ 344,726,245
Other operating revenues	20,310,592				20,311,534
Total operating revenues	360,947,992	4,989,787			365,037,779
Operating expenses					
Salaries and benefits	181,353,127	1,500,118			182,853,245
Supplies and other expenses	133,479,325	2,080,906			135,560,131
Depreciation and amortization	20,380,372	263,785			20,644,157
Provision for bad debts					-
Interest	2,025,836	200,601			2,226,437
Support for Norwalk Hospital Foundation, Inc	1,182,308				1,182,308
Total operating expenses	338,420,968	4,045,310			342,466,278
Income from operations	21,627,024	944,477			22,571,501
Nonoperating income (expense)					
Investment income	1,273,038	1,978			1,275,016
Net unrealized gain on investments	3,763,749				3,763,749
Loss on sale of equipment	(483,772)				(483,772)
Provision for joint venture investment	(461,817)				(461,817)
Gain on sale of ambulatory surgery	3,838,416				-
Total nonoperating income	7,929,614	1,978			(3,838,416)
Excess (deficiency) of revenues over expenses, before noncontrolling interest in joint venture	29,556,638	946,455			(3,838,416)
Change in value attributable to noncontrolling interest in joint venture		(283,937)			(283,937)
Excess of revenues over expenses	29,556,638	662,518			(3,838,416)
Other changes in net assets					
Transfers to Norwalk Health Services Corporation	(4,501,544)				(4,501,544)
Transfer of interest of Fairfield County Medical Services, Inc	-		832,443		832,443
Transfers from Norwalk Hospital Foundation, Inc	737,532		-		737,532
Funding of operations of Norwalk Hospital Foundation, Inc	(889,780)		-		(889,780)
Pension related changes other than net periodic benefit cost	(6,727,223)		-		(6,727,223)
Noncontrolling interests in joint venture	-	283,937			283,937
Increase in unrestricted net assets	\$ 18,175,623	\$ 946,455	\$ 832,443	\$ (3,838,416)	\$ 16,116,105

Additional Data

Software ID:
Software Version:
EIN: 06-6068853
Name: The Norwalk Hospital Association

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Or director	Individual trustee	Institutional Trustee	Officer	Key employee	Highest compensated employee			
Diane M Allison Esq Chairman	5 0 3 0		X		X			0	0	
Fred Afragola Trustee	2 0 3 0		X					0	0	
Thomas Ayoub Trustee, Chief of Staff	18 0 1 0		X					85,000	0	
George Bauer Trustee	2 0 2 0		X					0	0	
Mana Borges-Lopez Trustee	3 0 1 0		X					0	0	
Barbara Butler Secretary Effective 1/1/13	3 0 1 0		X					0	0	
Daniel DeBarba President &CEO	50 0 6 0		X		X			935,506	0	31,978
Howard Eison MD Trustee Effective 1/1/2013	2 0 2 0		X					0	0	
Paul Gagne MD Trustee	2 0 1 0		X					0	0	
Mark Gudis Trustee	2 0 1 0		X					0	0	
Ed Kangas Vice Chairman	4 0 2 0		X		X			0	0	
David Komansky Trustee	2 0 1 0		X					0	0	
David Lehn Esq Trustee	2 0 3 0		X					0	0	
Victor Liss Trustee	3 0 5 0		X					0	0	
Ed Mahony Trustee	3 0 3 0		X					0	0	
Joseph E Mann Trustee Effective 1/1/13	2 0 1 0		X					0	0	
Robert Ready Trustee	2 0 3 0		X					0	0	
Gary Reiner Trustee	3 0 1 0		X					0	0	
Amy Schafrann Trustee	2 0 3 0		X					0	0	
Erv Shames Trustee Effective 1/1/2013	2 0 2 0		X					0	0	
Andrew Whittingham Treasurer	3 0 1 0		X		X			0	0	
Richard Zelkowitz Trustee	2 0 1 0		X					0	0	
Charles Augenbraun MD Trustee thru 12/31/12	0 0 0 0		X					0	0	
Patrick Minicus VP and Chief Financial Officer	50 0 3 0				X			512,593	0	27,285
Lisa Brady Chief Operating Officer	50 0					X		465,604	0	32,678

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Or director	Individual trustee	Institutional trustee	Officer	Key employee			
Mary Nolan VP Nursing & Patient Care Serv	50 0				X		345,539	0	65,558
Anthony Aceto VP Human Resources	50 0				X		400,646	0	60,246
Renee Maunello VP Nursing & Patient Care Serv	50 0				X		242,132	0	26,470
Brian McGovern Physician	50 0					X	566,771	0	54,103
Michael Carius Chairman, Emergency Department	50 0					X	502,319	0	60,256
Arthur Stichman Physician	50 0					X	410,492	0	56,449
Edward Eisenberg Physician	50 0					X	385,005	0	50,211
Katherine Michael Chairman, Psychiatry	50 0					X	376,463	0	51,361
Geoffrey Cole Former President & CEO						X	218,249	0	