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Part III

Statement of Program Service Accomplishments

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

☐ Yes ☒ No

1

Briefly describe the organization’s mission

CAMERON MEMORIAL COMMUNITY HOSPITAL'S MISSION IS TO PROVIDE A WIDE RANGE OF HEALTH CARE SERVICES TO THE PEOPLE OF STEUBEN COUNTY AND THE SURROUNDING AREA, IN A SPIRIT OF CHARITY, CONCERN, AND EXCELLENCE

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 \$ 36,069,462 including grants of \$ 0 ) (Revenue \$ 44,238,966 )

CAMERON MEMORIAL COMMUNITY HOSPITAL, INC (HOSPITAL), A NOT FOR PROFIT ORGANIZATION, IS A GENERAL ACUTE CARE FACILITY IN ANGOLA, INDIANA WITH 25 LICENSED BEDS AND ASSOCIATED ANCILLARY SERVICE DEPARTMENTS INCLUDING OUTPATIENT SERVICES, HOME HEALTH CARE AND AN URGENT CARE CENTER IN ANGOLA, INDIANA THE HOPITAL PROVIDES HEALTH CARE SERVICES PRIMARILY IN THE NORTHEAST PORTION OF INDIANA EXPENSES RELATE TO THE PROVISION OF MEDICAL CARE AND RELATED GENERAL AND ADMINISTRATIVE COSTS CONTINUE ON SCHEDULE O(CONTINUE FROM PAGE 2, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS) RADIOLOGY IS THE LARGEST PROGRAM OFFERED TO PATIENTS AT CMCH ANNUALLY THE HOSPITAL PERFORMS OVER 27,000 PROCEDURES, INCLUDING GENERAL RADIOLOGY SERVICES, CT SCANS, PET SCANS AND AN OPEN BORE MRI RADIOLOGY GROSS REVENUE IS \$22,093,000 BEFORE CONTRACTUAL ALLOWANCES AND CHARITY CARE SURGERY IS THE SECOND LARGEST PROGRAM OFFERED TO PATIENTS AT CMCH OVER 6,300 PROCEDURES ARE PERFORMED ANNUALLY, WITH 91% OF THE PROCEDURES BEING OUTPATIENT RELATED SURGERY GROSS REVENUES IS \$13,800,000 BEFORE CONTRACTUAL ALLOWANCES AND CHARITY CARE ER IS THE THIRD LARGEST PROGRAM OFFERED TO PATIENTS AT CMCH OVER 15,100 PATIENTS CAME THROUGH CAMERON'S ER ER GROSS REVENUE IS \$11,900,000 BEFORE CONTRACTUAL ALLOWANCES AND CHARITY CARE LAB IS THE FOURTH LARGEST PROGRAM OFFERED TO PATIENTS AT CMCH OVER 167,000 ARE DONE WITH 86% BEING OUTPATIENT RELATED LAB GROSS REVENUE IS \$12,300,000 BEFORE CONTRACTUAL ALLOWANCES AND CHARITY CARE

4b

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

4c

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

4d

Other program services (Describe in Schedule O )





















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

4e

Total program service expenses ▶ 36,069,462

Part IV

Checklist of Required Schedules

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

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i> . . . . .	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . .	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .	24d		No
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> . . . . .	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28b		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? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . .	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> . . . . .	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	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)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	35b	Yes	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> 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	28	
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	495	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		No
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	<b>Sponsoring organizations maintaining donor advised funds.</b>			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	<b>Section 501(c)(7) organizations.</b> Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b		
11	<b>Section 501(c)(12) organizations.</b> Enter			
a	Gross income from members or shareholders.	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b		
12a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> 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	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>			
a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b		
c	Enter the amount of reserves on hand.	13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b		

Part VI

Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	12	
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			
1b	Enter the number of voting members included in line 1a, above, who are independent	10	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	No
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	8a	Yes
8b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
10b	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
11b	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
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	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	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	Other officers or key employees of the organization	15b	Yes
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	IN
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)	
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization	GREG BURNS 416 E MAUMEE STREET ANGOLA, IN (260) 665-2141

Part VII

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

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

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

- 1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year
- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid

List all of the organization's **current** key employees, if any See instructions for definition of "key employee "

List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DAVID GOODWIN VICE CHAIR/ CHAIR	2 00 2 00	X		X				0	0	0
(2) THOMAS MILLER MD VICE CHAIR/CHIEF OF STAFF/HOSPITALIST	2 00 4 00	X		X				121,835	0	0
(3) BARBARA SHORT TREASURER	2 00 2 00	X		X				0	0	0
(4) BERRY MILLER MD SECRETARY	2 00 2 00	X		X				0	0	0
(5) KEN DUNLAP CHAIRMAN/ IMMEDIATE PAST CHAIR	2 00 2 00	X		X				0	0	0
(6) TODD BRANDON MD BOARD MEMBER	2 00 2 00	X						0	0	0
(7) JENNIFER DANIC BOARD MEMBER	2 00 2 00	X						0	0	0
(8) CHARLES NEDELE BOARD MEMBER	2 00 2 00	X						0	0	0
(9) MARLA TOIGO BOARD MEMBER	2 00 2 00	X						0	0	0
(10) TERRY VANETTE BOARD MEMBER	2 00 2 00	X						0	0	0
(11) LARRY WATKINS MD BOARD MEMBER	2 00 2 00	X						0	0	0
(12) JEFF POSENDEK BOARD MBR, PARTIAL TERM END MAR'13	2 00 2 00	X						0	0	0
(13) GREG BURNS CHIEF EXECUTIVE OFFICER	36 00 4 00	X		X				235,074	0	20,133
(14) DOUGLAS C BOMBA CHIEF FINANCIAL OFFICER	36 00 4 00			X				97,521	0	4,128
(15) CONSTANCE M MCCAHILL CHIEF OPERATING OFFICER	38 00 2 00			X				17,656	0	0
(16) DARLEANA D CROFOOT QUALITY & RISK MANAGEMENT DIRECTOR	40 00 0 00					X		102,925	0	8,322
(17) KRISTOPHER D KEEN INFORMATION TECHNOLOGY DIRECTOR	40 00 0 00					X		100,405	0	4,119



## Part VII

<b>1b</b>	<b>Sub-Total . . . . .</b>			
<b>c</b>	<b>Total from continuation sheets to Part VII, Section A . . . . .</b>			
<b>d</b>	<b>Total (add lines 1b and 1c) . . . . .</b>	795,956	0	67,797

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 ▶5

		Yes	No
3	Did the organization list any <b>former</b> 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
ANESTHESIOLOGY ASSOC PC 712 NORTH EARL AVENUE SUITE B LAFAYETTE IN 47904	SEE SCH O	580,578
STEBEN CO ANESTHESIA PC 301 E MAUMEE ST ANGOLA IN 46703	SEE SCH O	519,475
HOSPITAL CARE GROUP PC 6435 WEST JEFFERSON BLVD FORT WAYNE IN 46804	SEE SCH O	504,407
SOUTH BEND MEDICAL FOUNDATION PO BOX 2030 MISHAWAKA IN 46546	SEE SCH O	443,308
CHUPP MEDICAL PO BOX 982 FREMONT IN 46737	SEE SCH O	329,528

**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 ▶12

Part VIII

Statement of Revenue

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

			(A)	(B)	(C)	(D)
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . . 1a				
	b	Membership dues . . . . 1b				
	c	Fundraising events . . . . 1c				
	d	Related organizations . . . 1d	670,801			
	e	Government grants (contributions) 1e				
	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 . . . . .	670,801			
Program Service Revenue	Business Code					
	2a	NET PATIENT SERVICE REVENUE	621400	44,216,646	44,216,646	
	b	MEALS ON WHEELS	624200	14,000	14,000	
	c	COMMUNITY HEALTH	624200	8,320	8,320	
	d					
	e					
	f	All other program service revenue				
	g	Total. Add lines 2a-2f . . . . .	44,238,966			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .	366,339			366,339
	4	Income from investment of tax-exempt bond proceeds . . . . .				
	5	Royalties . . . . .				
	6a	(i) Real	(ii) Personal			
		239,192				
		31,892				
		207,300				
	b	Less rental expenses				
	c	Rental income or (loss)				
	d	Net rental income or (loss) . . . . .	207,300			207,300
	7a	(i) Securities	(ii) Other			
		9,345,934	150			
		8,603,647	2,973			
		742,287	-2,823			
	b	Less cost or other basis and sales expenses				
	c	Gain or (loss)				
	d	Net gain or (loss) . . . . .	739,464			739,464
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .				
	a					
	b	Less direct expenses . . . . .				
	c	Net income or (loss) from fundraising events . . . . .				
	9a	Gross income from gaming activities See Part IV, line 19 . . . . .				
	a					
	b	Less direct expenses . . . . .				
	c	Net income or (loss) from gaming activities . . . . .				
	10a	Gross sales of inventory, less returns and allowances . . . . .				
	a					
	b	Less cost of goods sold . . . . .				
	c	Net income or (loss) from sales of inventory . . . . .				
	Miscellaneous Revenue		Business Code			
	11a	EHR REVENUE	900099	423,394		423,394
	b	CAFETERIA	900099	159,121		159,121
	c	PHARMACY	900099	74,969		74,969
	d	All other revenue . . . . .		352,417		352,417
	e	Total. Add lines 11a-11d . . . . .		1,009,901		
	12	Total revenue. See Instructions . . . . .	47,232,771	44,238,966	0	2,351,538

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

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

☒

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21.				
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.				
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.				
5	Compensation of current officers, directors, trustees, and key employees.	483,351	410,848	72,503	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).				
7	Other salaries and wages.	14,748,893	12,536,559	2,212,334	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	472,698	401,793	70,905	
9	Other employee benefits.	3,409,982	2,898,485	511,497	
10	Payroll taxes.	1,150,211	977,679	172,532	
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	134,925	114,686	20,239	
c	Accounting.	116,661	99,162	17,499	
d	Lobbying.	834	709	125	
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.				
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	9,726,564	8,267,579	1,458,985	
12	Advertising and promotion.	301,601	256,361	45,240	
13	Office expenses.	3,903,849	3,318,272	585,577	
14	Information technology.	745,385	633,577	111,808	
15	Royalties.				
16	Occupancy.	1,479,853	1,284,983	194,870	
17	Travel.	44,829	38,105	6,724	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	173,666	147,616	26,050	
20	Interest.	305,316	259,519	45,797	
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	2,373,312	2,017,315	355,997	
23	Insurance.	361,640	307,394	54,246	
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	MINOR EQUIPMENT	223,913	190,326	33,587	
b					
c					
d					
e	All other expenses.	2,245,286	1,908,494	336,792	
25	<b>Total functional expenses.</b> Add lines 1 through 24e.	42,402,769	36,069,462	6,333,307	0
26	<b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X

Balance Sheet

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

				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		12,215	1	74,401
	2	Savings and temporary cash investments		4,853,551	2	5,115,123
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		6,678,333	4	6,436,118
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		1,038,194	7	1,516,511
	8	Inventories for sale or use		933,543	8	880,562
	9	Prepaid expenses and deferred charges		304,185	9	411,378
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a49,043,638			
	b	Less accumulated depreciation	10b26,709,755	8,711,601	10c	22,333,883
	11	Investments—publicly traded securities		13,249,466	11	14,770,139
	12	Investments—other securities See Part IV, line 11		3,313,098	12	3,329,021
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		10,318,538	15	34,699,004
	16	Total assets. Add lines 1 through 15 (must equal line 34)		49,412,724	16	89,566,140
Liabilities	17	Accounts payable and accrued expenses		4,609,480	17	4,410,329
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		13,647,237	20	37,000,000
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		2,140,472	23	11,231,426
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		0	25	2,527,258
	26	Total liabilities. Add lines 17 through 25		20,397,189	26	55,169,013
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		28,108,918	27	33,820,801
	28	Temporarily restricted net assets		906,617	28	576,326
	29	Permanently restricted net assets			29	
	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		29,015,535	33	34,397,127
	34	Total liabilities and net assets/fund balances		49,412,724	34	89,566,140

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12) . . . . .	1	47,232,771
2	Total expenses (must equal Part IX, column (A), line 25) . . . . .	2	42,402,769
3	Revenue less expenses Subtract line 2 from line 1 . . . . .	3	4,830,002
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . . . . .	4	29,015,535
5	Net unrealized gains (losses) on investments . . . . .	5	610,297
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	-58,707
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	34,397,127

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		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	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	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?	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	Yes	

SCHEDULE A  
(Form 990 or 990EZ)

Department of the Treasury  
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization CAMERON MEMORIAL COMMUNITY HOSPITAL INC	Employer identification number 35-0211370
---	--

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<sup>1</sup>/<sub>3</sub>% 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<sup>1</sup>/<sub>3</sub>% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III )
- 10

☐

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

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated
- e

☐

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

☐

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

☐

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

(i)

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

(ii)

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

(iii)

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

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

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

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

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

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

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

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

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

Section C. Computation of Public Support Percentage			
15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15		
16 Public support percentage from 2011 Schedule A, Part III, line 15	16		

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



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

Facts And Circumstances Test

Explanation

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2012

Open to Public Inspection

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

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

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

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

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

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

Name of the organization CAMERON MEMORIAL COMMUNITY HOSPITAL INC	Employer identification number  35-0211370
---	--

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

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

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

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If “Yes,” describe in Part IV	

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

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

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

Part II-A

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

- A
- Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B
- Check ☐ if the filing organization checked box A and "limited control" provisions apply

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

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

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

Part II-B

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		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		834
j	Total. Add lines 1c through 1i.			834
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
EXPLANATION OF LOBBYING ACTIVITIES	PART II-B, LINE 1	DURING FISCAL YEAR 2013 A PORTION OF THE HOSPITAL'S ASSOCIATION MEMBERSHIP DUES PAID TO INDIANA HOSPITAL ASSOCIATION (IHA) WAS ALLOCATED TO LOBBYING EXPENDITURES

SCHEDULE D  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization  
CAMERON MEMORIAL COMMUNITY HOSPITAL INC

Employer identification number  
35-0211370

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	

Part II

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

1

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

☐ Preservation of land for public use (e g , recreation or education)☐ Preservation of an historically important land area☐ Protection of natural habitat☐ Preservation of a certified historic structure☐ Preservation of open space

2

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

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

3

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

4

Number of states where property subject to conservation easement is located ▶\_\_\_\_\_

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes☐ No

6

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

7

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

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes☐ No

9

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

Part III

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

1a

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

b

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

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

▶\$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X

▶\$ \_\_\_\_\_

2

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

a

Revenues included in Form 990, Part VIII, line 1

▶\$ \_\_\_\_\_

b

Assets included in Form 990, Part X

▶\$ \_\_\_\_\_

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

Cat No 52283D

Schedule D (Form 990) 2012

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

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

	Amount
1c	
1d	
1e	
1f	

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

2a

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

☐ Yes

☐ No

b

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

☐

Part V

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

	(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance	906,617	686,935	384,588	391,383
b	Contributions	670,801	231,849	302,347	
c	Net investment earnings, gains, and losses	69	924		
d	Grants or scholarships				
e	Other expenditures for facilities and programs	1,001,161	13,091	6,795	
f	Administrative expenses				
g	End of year balance	576,326	906,617	686,935	384,588

2

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

a

Board designated or quasi-endowment

b

Permanent endowment

c

Temporarily restricted endowment

100.000%

The percentages in lines 2a, 2b, and 2c should equal 100%

3a

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

(i) unrelated organizations

3a(i)

☐ Yes

☐ No

(ii) related organizations

3a(ii)

☐ Yes

☐ No

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

☐ Yes

☐ No

4

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

Part VI

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		3,620,135		3,620,135
b Buildings		16,321,218	12,861,257	3,459,961
c Leasehold improvements				
d Equipment		17,426,469	13,848,498	3,577,971
e Other		11,675,816		11,675,816
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				22,333,883



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
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	THE HOSPITAL HAS TEMPORARILY RESTRICTED NET ASSETS, THE USE OF WHICH IS RESTRICTED BY DONORS OR GRANTORS, INTENDED FOR USE OF HEALTH CARE SERVICES FOR MAGNETIC RESONANCE IMAGING HOUSING ADDITIONS AND HOME HEALTH CARE IN ADDITION TO THE HOSPITAL'S EXPANSION PROJECT
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X, LINE 2	ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA REQUIRE MANAGEMENT TO EVALUATE TAX POSITIONS TAKEN BY THE CENTER AND RECOGNIZE A TAX LIABILITY IF THE CENTER HAS TAKEN AN UNCERTAIN POSITION THAT MORE LIKELY THAN NOT WOULD NOT BE SUSTAINED UPON EXAMINATION BY VARIOUS FEDERAL AND STATE TAXING AUTHORITIES. MANAGEMENT HAS ANALYZED THE TAX POSITIONS TAKEN BY THE CENTER, AND HAS CONCLUDED THAT AS OF SEPTEMBER 30, 2013 AND 2012, THERE ARE NO UNCERTAIN POSITIONS TAKEN OR EXPECTED TO BE TAKEN THAT WOULD REQUIRE RECOGNITION OF A LIABILITY OR DISCLOSURE IN THE ACCOMPANYING FINANCIAL STATEMENTS. THE CENTER IS SUBJECT TO ROUTINE AUDITS BY TAXING JURISDICTIONS, HOWEVER, THERE ARE CURRENTLY NO AUDITS FOR ANY TAX PERIODS IN PROGRESS.
		PART XI AND XII SCHEDULES ARE NOT REQUIRED AS THE ORGANIZATION IS PART OF A CONSOLIDATED FINANCIAL STATEMENT.



SCHEDULE H  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization  
CAMERON MEMORIAL COMMUNITY HOSPITAL INC

Employer identification number  
35-0211370

Part I

Financial Assistance and Certain Other Community Benefits at Cost

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

7

Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1) . . . . .			716,791		716,791	1 690 %
b Medicaid (from Worksheet 3, column a) . . . . .			4,442,341	2,671,735	1,770,606	4 180 %
c Costs of other means-tested government programs (from Worksheet 3, column b) . . . . .						
d <b>Total</b> Financial Assistance and Means-Tested Government Programs . . . . .			5,159,132	2,671,735	2,487,397	5 870 %
<b>Other Benefits</b>						
e Community health improvement services and community benefit operations (from Worksheet 4) . . . . .			36,255		36,255	0 090 %
f Health professions education (from Worksheet 5) . . . . .						
g Subsidized health services (from Worksheet 6) . . . . .			100,177	704	99,473	0 230 %
h Research (from Worksheet 7) . . . . .						
i Cash and in-kind contributions for community benefit (from Worksheet 8) . . . . .			11,950		11,950	0 030 %
j <b>Total</b> Other Benefits . . . . .			148,382	704	147,678	0 350 %
k <b>Total.</b> Add lines 7d and 7j . . . . .			5,307,514	2,672,439	2,635,075	6 220 %

Part IICommunity 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
1Physical improvements and housing			700		700	0 %
2Economic development						
3Community support						
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy						
8Workforce development			36,382		36,382	0.090 %
9Other						
10Total			37,082		37,082	0.090 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1

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

1

Yes

2

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

2

4,891,286

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

0

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

11,881,293

6

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

6

12,506,525

7

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

7

-625,232

8

Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used.  
☐ Cost accounting system      ☐ Cost to charge ratio      ☒ Other

Section C. Collection Practices

9a

Did the organization have a written debt collection policy during the tax year?

9a

Yes

9b

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

9b

Yes

Part IVManagement Companies and Joint Ventures

(owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

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

## Section A. Hospital Facilities

Name, address, and primary website address

**Schedule H (Form 990) 2012**

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)

CAMERON MEMORIAL COMMUNITY HOSPITAL INC

Name of hospital facility or facility reporting group

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

1

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 . . . . . If "Yes," indicate what the CHNA report describes (check all that apply)	1	Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility			
b <input checked="" type="checkbox"/> Demographics of the community			
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d <input checked="" type="checkbox"/> How data was obtained			
e <input checked="" type="checkbox"/> The health needs of the community			
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs			
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests			
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs			
j <input type="checkbox"/> Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u>			
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted . . . . .	3	Yes	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI . . . . .	4		No
5 Did the hospital facility make its CHNA report widely available to the public? . . . . . If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5	Yes	
a <input checked="" type="checkbox"/> Hospital facility's website			
b <input checked="" type="checkbox"/> Available upon request from the hospital facility			
c <input type="checkbox"/> Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)			
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b <input type="checkbox"/> Execution of the implementation strategy			
c <input type="checkbox"/> Participation in the development of a community-wide plan			
d <input type="checkbox"/> Participation in the execution of a community-wide plan			
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans			
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA			
g <input checked="" type="checkbox"/> Prioritization of health needs in its community			
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i <input type="checkbox"/> Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs . . . . .	7	Yes	
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? . . . . .	8a		No
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax? . . . . .	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$_____			

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No
<b>9</b> Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?		<b>9</b>	Yes
<b>10</b> Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? . . . . . If "Yes," indicate the FPG family income limit for eligibility for free care <u>100 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		<b>10</b>	Yes
<b>11</b> Used FPG to determine eligibility for providing <i>discounted</i> care? . . . . . If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>300 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		<b>11</b>	Yes
<b>12</b> Explained the basis for calculating amounts charged to patients? . . . . . If "Yes," indicate the factors used in determining such amounts (check all that apply)		<b>12</b>	Yes
<b>a</b> <input checked="" type="checkbox"/> Income level			
<b>b</b> <input checked="" type="checkbox"/> Asset level			
<b>c</b> <input checked="" type="checkbox"/> Medical indigency			
<b>d</b> <input checked="" type="checkbox"/> Insurance status			
<b>e</b> <input checked="" type="checkbox"/> Uninsured discount			
<b>f</b> <input checked="" type="checkbox"/> Medicaid/Medicare			
<b>g</b> <input checked="" type="checkbox"/> State regulation			
<b>h</b> <input checked="" type="checkbox"/> Other (describe in Part VI)			
<b>13</b> Explained the method for applying for financial assistance? . . . . .		<b>13</b>	Yes
<b>14</b> Included measures to publicize the policy within the community served by the hospital facility? . . . . . If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		<b>14</b>	Yes
<b>a</b> <input type="checkbox"/> The policy was posted on the hospital facility's website			
<b>b</b> <input type="checkbox"/> The policy was attached to billing invoices			
<b>c</b> <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms			
<b>d</b> <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices			
<b>e</b> <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility			
<b>f</b> <input checked="" type="checkbox"/> The policy was available upon request			
<b>g</b> <input checked="" type="checkbox"/> Other (describe in Part VI)			
Billing and Collections			
<b>15</b> Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment? . . . . .		<b>15</b>	Yes
<b>16</b> Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
<b>a</b> <input type="checkbox"/> Reporting to credit agency			
<b>b</b> <input type="checkbox"/> Lawsuits			
<b>c</b> <input type="checkbox"/> Liens on residences			
<b>d</b> <input type="checkbox"/> Body attachments			
<b>e</b> <input type="checkbox"/> Other similar actions (describe in Part VI)			
<b>17</b> Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? . . . . .		<b>17</b>	No
If "Yes," check all actions in which the hospital facility or a third party engaged			
<b>a</b> <input type="checkbox"/> Reporting to credit agency			
<b>b</b> <input type="checkbox"/> Lawsuits			
<b>c</b> <input type="checkbox"/> Liens on residences			
<b>d</b> <input type="checkbox"/> Body attachments			
<b>e</b> <input type="checkbox"/> Other similar actions (describe in Part VI)			

Part V

Facility Information (continued)

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

☒

Notified individuals of the financial assistance policy on admission
- b

☒

Notified individuals of the financial assistance policy prior to discharge
- c

☒

Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d

☒

Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- e

☒

Other (describe in Part VI)

Policy Relating to Emergency Medical Care

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

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

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

Part V

Facility Information (continued)

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

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

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

Part VI

Supplemental Information

Complete this part to provide the following information

- 1
- Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, 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 II DESCRIPTION OF COMMUNITY BUILDING ACTIVITIES CAMERON MEMORIAL COMMUNITY HOSPITAL IS CURRENTLY RE-DEVELOPING THE HOSPITAL CAMPUS TO INCLUDE A NEW FACILITY PLUS THE RENOVATION OF AN EXISTING WING THE EXPANDED HOSPITAL CAMPUS WILL ENCOMPASS 13+ ACRES SITUATED IN ITS CURRENT FOOTPRINT AND INCLUDE 110,470 SQUARE FEET OF NEW CONSTRUCTION ALONG WITH 15,930 SQUARE FEET OF RENOVATED SPACE THE FACILITY WILL REMAIN A CRITICAL ACCESS HOSPITAL AND CONTINUE TO OPERATE 25 INPATIENT BEDS COMMUNITY RESPONSE TO THE DECISION HAS BEEN EXTREMELY POSITIVE, NOTING CMCH'S CRUCIAL ROLE AS AN ANCHOR IN THE DOWNTOWN COMMUNITY AND FOR DOWNTOWN RE-DEVELOPMENT FROM REGISTRATION THROUGH DISCHARGE, THE NEW FACILITY WILL ENHANCE PATIENT SAFETY AND PROVIDE A COMFORTABLE ENVIRONMENT WHERE PRIVACY IS A PRIORITY THE PURPOSE OF THE MAYOR'S BEAUTIFICATION AWARD IS TO PROMOTE AND RECOGNIZE THE EFFORTS OF CITY RESIDENTS WHO BEAUTIFY THEIR RESIDENTIAL LANDSCAPES AND THE EXTERIOR OF THEIR RESIDENTIAL PROPERTIES THE AWARD IS BEING SPONSORED BY CAMERON MEMORIAL COMMUNITY HOSPITAL AS PART OF ITS COMMITMENT TO PROMOTE WELLNESS AND A HIGH QUALITY OF COMMUNITY LIFE THE H O E (HEALTH OCCUPATION EDUCATION) PROGRAM IS COMPRISED OF SENIOR HIGH SCHOOL STUDENTS INTERESTED IN PURSUING A HEALTH OCCUPATION AFTER GRADUATION THESE STUDENTS ARE ASSIGNED TO VARIOUS HEALTHCARE PROFESSIONALS IN THE HOSPITAL, CLINICS, AND MEDICAL OFFICES TO OBSERVE AND IN MANY INSTANCES HAVE "HANDS-ON" MONITORED EXPERIENCE IN THE FIELD THE STUDENTS ARE TRAINED IN CPR WHICH BENEFITS THE COMMUNITY THE STUDENTS ALSO PARTICIPATE IN HEALTH FAIRS AND BUSINESS SCREENINGS IN THE COMMUNITY BY SUPPORTING THE H O E PROGRAM, THE HOSPITAL PROMOTES AND ENCOURAGES QUALITY HEALTHCARE PROFESSIONALS FOR OUR COMMUNITY IN THE FUTURE
		PART III, LINE 4 EXPLANATION OF FINANCIAL STATEMENT FOOTNOTE MANAGEMENT REGULARY REVIEWS DATA ABOUT THE MAJOR PAYOR SOURCES OF REVENUE IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS FOR RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD PARTY COVERAGE, THE HOSPITAL ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND PROVISION FOR BAD DEBTS, IF NECESSARY FOR RECEIVABLES ASSOCIATED WITH SELF PAY PAYMENTS, WHICH INCLUDES BOTH PATIENTS WITHOUT INSURANCE AND PATIENTS WITH DEDUCTIBLE AND COPAYMENT BALANCES DUE FOR WHICH THIRD PARTY COVERAGE EXISTS FOR PART OF THE BILL, THE HOSPITAL RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE ADDITIONALLY, SEE THE AUDITED FINANCIAL STATEMENT FOOTNOTE 2 "NEW ACCOUNTING PRONOUNCEMENTS" AND "ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS" LOCATED ON PAGE 9 AND 10 OF THE AUDITED FINANCIAL STATEMENTS



Identifier	ReturnReference	Explanation
		PART III, LINE 8 THE SOURCE USED TO DETERMINE THE AMOUNT OF MEDICARE ALLOWABLE COSTS REPORTED FOR PART III, SECTION B, MEDICARE HAS BEEN PROVIDED FROM THE YEAR ENDED 9/30/2013 MEDICARE COST REPORT HOSPITAL STATEMENT OF REIMBURSABLE COST
		PART III, LINE 9B THE COLLECTION POLICY ADDRESSES FOUR OPTIONS, INCLUDING COMPASSIONATE CARE FINANCIAL ASSISTANCE THE PATIENTS MUST MEET THE ELIGIBILITY CRITERIA TO QUALIFY FOR COMPASSIONATE CARE

Identifier	ReturnReference	Explanation
BAD DEBT EXPENSE	PART III, SECTION A	LINE 2, BAD DEBT EXPENSE THE PROVISION FOR BAD DEBTS RELATING TO PATIENT SERVICE REVENUE HAS BEEN PRESENTED AT THE ACTUAL AMOUNT OF CHARGES WRITTEN OFF LINE 3, ESTIMATED AMOUNT OF BAD DEBT ATTRIBUTED TO FAP ELIGIBLE PATIENTS NO OTHER BAD DEBT AMOUNTS HAVE BEEN INCLUDED AS COMMUNITY BENEFIT THE HOSPITAL HAS A DETAILED FINANCIAL ASSISTANCE POLICY OFFERING CHARITY CARE TO CANDIDATES WHO COMPLETE THE APPLICATION IN ADDITION, THE HOSPITAL EDUCATES PATIENTS WITH LIMITED ABILITY TO PAY REGARDING FINANCIAL ASSISTANCE FOR THIS REASON, THE ORGANIZATION BELIEVES IT ACCURATELY CAPTURES ALL CHARITY CARE DEDUCTIONS PROVIDED ACCORDING TO THE FINANCIAL ASSISTANCE POLICY AND THE AMOUNT OF BAD DEBT EXPENSE ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S CHARITY CARE POLICY IS NEGLIGIBLE
CAMERON MEMORIAL COMMUNITY HOSPITAL, INC		PART V, SECTION B, LINE 3 DESCRIPTION OF COMMUNITY INPUT A STEERING COMMITTEE WAS CREATED, WHICH MET FOR A FOCUS GROUP AND RESULTS 2 TIMES THEN A SURVEY WAS DISTRIBUTED VIA THE INTERNET AND LOCAL LIBRARIES, AND FINALLY, FACE TO FACE SURVEYS WERE TAKEN AT PUBLIC LOCATIONS AROUND THE COMMUNITY

Identifier	ReturnReference	Explanation
CAMERON MEMORIAL COMMUNITY HOSPITAL, INC		PART V, SECTION B, LINE 12H EXPLANATION OF OTHER FACTORS USED TO DETERMINE CHARGES TO PATIENTS DECEASED PATIENTS WITH NO ESTATE, AND PATIENTS ON A PAYMENT PLAN WHO HAVE BEEN MAKING REGULAR PAYMENTS BUT THEIR FINANCIAL SITUATION HAS DRAMATICALLY CHANGED
CAMERON MEMORIAL COMMUNITY HOSPITAL, INC		PART V, SECTION B, LINE 14G EXPLANATION OF OTHER METHODS USED TO PUBLICIZE FINANCIAL ASSISTANCE POLICY ALL PRIVATE PAY PATIENTS RECEIVE A COPY OF THE POLICY AT TIME OF SERVICE

Identifier	ReturnReference	Explanation
CAMERON MEMORIAL COMMUNITY HOSPITAL, INC		PART V, SECTION B, LINE 18E OTHER ACTIONS TAKEN BEFORE INITIATING ANY COLLECTION ACTIONS FOR INPATIENTS A HOSPITAL REPRESENTATIVE VISITS THE PATIENT AND DISCUSSES WITH THEM ABOUT PAYMENT OPTIONS INCLUDING THE FINANCIAL ASSISTANCE POLICY, FOR OUTPATIENTS AND OTHER PATIENTS THE BUSINESS OFFICE CALLS AND DISCUSSES THE SAME OPTIONS
CAMERON MEMORIAL COMMUNITY HOSPITAL, INC		PART V, SECTION B, LINE 20D EXPLANATION OF OTHER METHODS TO DETERMINE AMOUNTS GENERALLY BILLED TO FAP-ELIGIBLE INDIVIDUALS A 15% DISCOUNT IS AUTOMATICALLY APPLIED WHICH IS GREATER THAN OUR AVERAGE NEGOTIATED COMMERICAL INSURANCE RATES

Identifier	ReturnReference	Explanation
		<p>PART VI, LINE 2 DESCRIPTION OF HOW COMMUNITY HEALTH CARE NEEDS ARE ASSESSED CAMERON MEMORIAL COMMUNITY HOSPITAL (CMCH) CONTRACTED WITH THE INDIANA RURAL HEALTH ASSOCIATION (IRHA) TO CONDUCT THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) IRHA FIRST IDENTIFIED THE COMMUNITY SERVED BY CMCH THROUGH CONVERSATIONS WITH THE HOSPITAL BASED ON A REVIEW OF PATIENT ZIP CODES, THE HOSPITAL WAS ABLE TO DEFINE THE COMMUNITY SERVED AS ALL POSTAL CODES WITHIN THE GEOGRAPHIC AREA OF STEUBEN COUNTY THE HOSPITAL PROVIDED A PRIMARY SERVICE AREA MAP WITH ZIP CODES TO QUANTIFIABLY DESCRIBE THE COMMUNITY, CENSUS REPORTS WERE COMMISSIONED FROM IVANTAGE HEALTH ANALYTICS IN CONJUNCTION WITH ESRI QUANTIFIABLE STATISTICS AND REPORTS FOR HEALTH-RELATED COMMUNITY DATA WERE OBTAINED FROM CAMERON MEMORIAL COMMUNITY HOSPITAL, THE COMMUNITY HEALTH RANKINGS &amp; ROADMAPS FROM THE ROBERT WOOD JOHNSON FOUNDATION, AND THE INDIANA COMMUNITY ASSET INVENTORY AND RANKINGS 2012 FROM THE CENTER FOR BUSINESS AND ECONOMIC RESEARCH AND BALL STATE UNIVERSITY ADDITIONAL REPORTS ON CHRONIC DISEASE WERE PULLED FROM THE CENTERS FOR DISEASE CONTROL WEBSITE AND THE INDIANA STATE CANCER REGISTRY NEXT, A STEERING COMMITTEE OF STEUBEN COUNTY REPRESENTATIVES WAS ORGANIZED WITH THE HELP OF THE CAMERON MEMORIAL COMMUNITY HOSPITAL CEO BUSINESS OWNERS, LOCAL OFFICIALS, HEALTHCARE PROVIDERS, MINORITY LEADERS, CLERGY, STUDENT REPRESENTATIVES, AND ANY OTHER INTERESTED PARTIES WERE INVITED TO ATTEND THE MEETING TO DISCUSS THE HEALTH-RELATED NEEDS OF THE COUNTY WITH A VIEW TO IDENTIFYING THE AREAS OF GREATEST CONCERN FROM THE INFORMATION OBTAINED IN THE STEERING COMMITTEE, A 43-QUESTION SURVEY WAS DEVELOPED TO GAIN THE PERSPECTIVE OF THE INHABITANTS OF THE COMMUNITY QUESTIONS INCLUDED QUERIES ABOUT THE EFFECT OF VARIOUS FACTORS (SUCH AS ILLEGAL DRUGS, TEEN PREGNANCY, AND OBESITY), AS WELL AS PROBES INTO THE PERCEIVED NEED FOR VARIOUS SERVICES AND FACILITIES IN THE COUNTY THE SURVEY WAS WIDELY DISSEMINATED TO THE RESIDENTS OF STEUBEN COUNTY THROUGH INCLUSION ON THE CAMERON MEMORIAL COMMUNITY HOSPITAL'S WEBSITE, FACE-TO-FACE POLLING AT FREMONT VILLAGE FOODS, A POPULAR GROCERY STORE IN FREMONT, IN, SUTTON'S DELI, A RESTAURANT ON THE TOWN SQUARE IN ANGOLA, AND THE ANGOLA RURAL KING AN ONLINE SURVEY POSTED ON SURVEYMONKEY COM WAS ALSO MADE AVAILABLE TO THE PUBLIC TO IDENTIFY ALL HEALTHCARE FACILITIES AND RESOURCES THAT ARE CURRENTLY RESPONDING TO THE HEALTHCARE NEEDS OF THE COMMUNITY, THE IRHA CONTACTED CMCH TO ASCERTAIN THE FACILITIES THAT ARE CURRENTLY AVAILABLE TO THE RESIDENTS OF STEUBEN COUNTY THE HOSPITAL WAS ABLE TO PROVIDE A LISTING OF THE FACILITIES AND RESOURCES, INCLUDING BUT NOT LIMITED TO CLINICS, FAMILY PRACTICES, AND NURSING FACILITIES AT THIS POINT, THE ENTIRETY OF THE COLLECTED DATA WAS SUBMITTED TO CAMERON MEMORIAL COMMUNITY HOSPITAL TO EXPLAIN HOW THE NEEDS IDENTIFIED BY THE CHNA ARE CURRENTLY BEING MET, AS WELL AS TO WRITE A PLAN OF ACTION FOR THOSE NEEDS THAT ARE NOT CURRENTLY BEING MET CMCH WAS ALSO ABLE TO IDENTIFY THE INFORMATION GAPS LIMITING THE HOSPITAL'S ABILITY TO ASSESS ALL OF THE COMMUNITY'S HEALTH NEEDS</p>
		<p>PART VI, LINE 3 DESCRIPTION OF PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE THE CHARITY CARE POLICY IS AVAILABLE IN THE ER AND REGISTRATION AREAS OF THE HOSPITAL CAMERON DISTRIBUTES AN "IMPORTANT BILLING INFORMATION FOR UNINSURED PATIENTS" HANDOUT TO EVERY UNINSURED PATIENT THIS HANDOUT IS DESIGNED TO HELP PATIENTS UNDERSTAND THE BILLING PROCESS, PAYMENT OPTIONS AND FINANCIAL ASSISTANCE THAT IS AVAILABLE WE HAVE FINANCIAL COUNSELORS AVAILABLE TO DISCUSS WITH THE PATIENTS' FEDERAL, STATE AND HOSPITAL FINANCIAL ASSISTANCE PROGRAMS AND ASSIST WITH ENROLLMENT PROGRAMS, WHEN APPLICABLE CAMERON IS AN APPROVED INDIANA MEDICAID ENROLLMENT CENTER FOR OUR PATIENTS</p>

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 DESCRIPTION OF COMMUNITY DEMOGRAPHICS CAMERON MEMORIAL COMMUNITY HOSPITAL WAS OPENED IN 1926 AND IS LOCATED IN ANGOLA, INDIANA ANGOLA IS LOCATED IN STEUBEN COUNTY, APPROXIMATELY 45 MILES NORTH OF FORT WAYNE, INDIANA SINCE CAMERON HOSPITAL IS LOCATED IN EXTREME NORTHEAST INDIANA, IT SERVES PATIENTS FROM COMMUNITIES IN SOUTHWEST MICHIGAN AND NORTHWEST OHIO AS WELL CAMERON HOSPITAL IS ONE OF THE LARGEST EMPLOYERS IN STEUBEN COUNTY THE HEALTH CARE SECTOR IS IMPORTANT TO THE COUNTY'S ECONOMY, AS IT EMPLOYS A LARGE NUMBER OF ITS RESIDENTS, WHO PURCHASE A LARGE AMOUNT OF GOODS AND SERVICES FROM THE BUSINESSES LOCATED IN STEUBEN COUNTY AS OF THE 2000 CENSUS, THE CITY OF ANGOLA HAD A POPULATION OF 8,612, WHILE THE STEUBEN COUNTY POPULATION WAS 34,185 DURING THE SUMMER MONTHS THE POPULATION IN STEUBEN COUNTY DRASTICALLY INCREASES DUE TO THE NUMEROUS LAKES IN THE COUNTY THE CHARACTERISTICS OF THE POPULATION ARE FACTORS IN DETERMINING THE HEALTH CARE SERVICES THAT OUR COMMUNITY REQUIRES THE PERCENTAGE OF THE POPULATION IN THE COMMUNITY OVER 65 YEARS OLD IS 11.9% IN 2013, CAMERON HOSPITAL HAD 107,000+ OUTPATIENT VISITS AND 85% OF OUR PATIENT REVENUE WAS OUTPATIENT THE FACILITY OPERATES AS AN INDEPENDENT CRITICAL ACCESS HOSPITAL AND RECEIVES COST-BASED REIMBURSEMENT
		PART VI, LINE 5 DESCRIPTION OF OTHER COMMUNITY HEALTH PROMOTION THE HOSPITAL IS VERY COMMITTED TO THE COMMUNITY BY SUPPORTING VARIOUS GROUPS AND NOT-FOR-PROFIT ORGANIZATIONS OVER 40 DONATIONS HAVE BEEN PROVIDED THROUGHOUT THE YEAR, SUPPORTING THE AREAS OF HEALTH, EDUCATION, AND SAFETY ADDITIONALLY, HOSPITAL STAFF AND PHYSICIANS DONATE MANY HOURS OF THEIR TIME TO SERVE IN THE FAITH COMMUNITY CLINIC WHICH ASSISTS THE POOR AND UNDERSERVED OF THE COMMUNITY FINALLY, THE HOSPITAL PARTNERS WITH AREA EMERGENCY PERSONNEL TO ASSIST WITH DISASTER PREPAREDNESS IN OUR COUNTY THE HOSPITAL FEELS THAT DISASTER PREPAREDNESS IS AN IMPORTANT ROLE FOR IT TO PLAY IN OUR COMMUNITY, ASSISTING RESIDENTS IN THE EVENT OF A NATURAL DISASTER, INDUSTRIAL ACCIDENT OR OTHER LARGE SCALE EMERGENCY THE HOSPITAL OPERATES AN EMERGENCY ROOM OPEN TO ALL PERSONS REGARDLESS OF ABILITY TO PAY IN ADDITION TO PROVIDING EMERGENCY SERVICES, THE HOSPITAL PROVIDES MINOR EMERGENCY AND URGENT CARE SERVICES TO ALL REGARDLESS OF ABILITY TO PAY THE HOSPITAL PARTICIPATES IN MEDICAID, MEDICARE, CHAMPUS, AND/OR OTHER GOVERNMENT SPONSORED HEALTH PROGRAMS IN ADDITION TO OUR PARTICIPATION IN THESE PROGRAMS, THE HOSPITAL ABSORBED MORE THAN \$625,232 IN UNREIMBURSED MEDICARE COSTS DURING 2013 IN ADDITION, THE HOSPITAL ALSO ABSORBED \$1,770,606 IN UNREIMBURSED MEDICAID COSTS DURING 2013 THE HOSPITAL ALSO PARTICIPATES IN A COMMUNITY CLINIC FOR POOR AND LOW INCOME RESIDENTS, WHEREIN LAB, RADIOLOGY, AND REHAB COST ARE ENTIRELY WRITTEN OFF ALTHOUGH THE PRIMARY CARE PHYSICIANS ARE NOT EMPLOYED STAFF OF THE HOSPITAL, A NUMBER OF PHYSICIANS VOLUNTEER THEIR SERVICES AT THE CLINIC THE HOSPITAL OFFERS A COMPASSIONATE CARE PROGRAM TO ELIGIBLE PARTICIPANTS BASED ON THE FEDERAL POVERTY GUIDELINES AT THE 300% LEVEL IN 2013, THE HOSPITAL ABSORBED \$716,791 IN CHARITY CARE COSTS CAMERON ALSO PROVIDES SCREENINGS FOR RESIDENTS WHO ARE UNINSURED OR UNDERINSURED INCLUDING PSA SCREENINGS, SKIN CANCER SCREENINGS, BREAST CANCER SCREENINGS AND BLOOD GLUCOSE TESTING FOR DIABETES OR PRE-DIABETES THE HOSPITAL HAS AN OPEN MEDICAL STAFF WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED IN THE AREA THE GOVERNING BODY (BOARD OF DIRECTORS) CONSISTS OF INDEPENDENT PEOPLE REPRESENTATIVE OF THE COMMUNITY WE SERVE THE HOSPITAL RECEIVES STRONG SUPPORT FROM AREA RESIDENTS AS EVIDENCED BY THE LARGE BODY OF VOLUNTEERS COMMITTED TO FURTHERING THE HOSPITAL'S MISSION



Schedule J (Form 990)  <div>Department of the Treasury Internal Revenue Service</div>	Compensation Information  For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  ▶ <b>Complete if the organization answered "Yes" to Form 990, Part IV, question 23.</b>  ▶ <b>Attach to Form 990. ▶ See separate instructions.</b>	OMB No 1545-0047
		2012
		Open to Public Inspection

Name of the organization CAMERON MEMORIAL COMMUNITY HOSPITAL INC	Employer identification number  35-0211370
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Part I	Questions Regarding Compensation		Yes	No
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 idemnification 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)		
1b	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 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			
4a	Receive a severance payment or change-of-control payment?			No
4b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?			No
4c	Participate in, or receive payment from, an equity-based compensation arrangement?			No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	<b>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</b>			
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			
5a	The organization?			No
5b	Any related organization?			No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
6a	The organization?			No
6b	Any related organization?			No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III			No
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			No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?			



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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1)GREG BURNS CHIEF EXECUTIVE OFFICER	(i)	227,959	0	7,115	9,230	10,903	255,207	0
	(ii)	0	0	0	0	0	0	0
(2)ELLEN BISSON FORMER OFFICER	(i)	119,735	0	805	21,588	9,507	151,635	0
	(ii)	0	0	0	0	0	0	0

**Part III**   **Supplemental Information**

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

Identifier	Return Reference	Explanation
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Schedule K  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
CAMERON MEMORIAL COMMUNITY HOSPITAL INC

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2012

Open to Public Inspection

Employer identification number  
35-0211370

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 INDIANA FINANCE AUTHORITY	35-1602316	45471CAA6	02-06-2013	37,000,000	SEE PART VI		X		X		X

Part II

Proceeds

		A		B		C		D	
1	Amount of bonds retired								
2	Amount of bonds legally defeased								
3	Total proceeds of issue	37,000,000							
4	Gross proceeds in reserve funds	21,676,377							
5	Capitalized interest from proceeds	631,987							
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	476,907							
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	15,323,623							
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion								
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?		X						
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III

Private Business Use

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

Part III

Private Business Use (Continued)

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

Part IV

Arbitrage

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

Part IV

Arbitrage (Continued)

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

Part V

Procedures To Undertake Corrective Action

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

Part VI

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

Identifier	Return Reference	Explanation
PART I, COLUMN (F), DESCRIPTION OF PURPOSE		THE PURPOSE OF THE HEALTH FACILITY REVENUE BOND ANTICIPATION NOTE SERIES 2013A IS TO 1) FINANCE, REFINANCE OR REIMBURSE A PORTION OF THE COSTS OF THE CONSTRUCTION, EQUIPPING, RENOVATION, IMPROVEMENT AND REPLACEMENT OF CERTAIN HEALTH FACILITIES OF THE HOSPITAL, 2) PAY ALL OR A PORTION OF THE INTEREST ON THE 2013A NOTES THROUGH 2016, AND 3) PAY ALL OR A PORTION OF THE COSTS OF ISSUANCE ON THE 2013A BONDS AND PRIOR 2009 BONDS

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization CAMERON MEMORIAL COMMUNITY HOSPITAL INC	Employer identification number 35-0211370
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Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 1	TOM MILLER, M D IS A PAID EMPLOYEE OF THE HOSPITAL AND IS THEREFORE CONSIDERED NOT INDEPENDENT
	FORM 990, PART VI, SECTION B, LINE 11	THE 990 IS THOROUGHLY REVIEWED BY THE CFO AND AN INDEPENDENT ACCOUNTING FIRM PRIOR TO FILING IN ADDITION, A COPY OF THE 990 IS PROVIDED TO THE GOVERNING BODY PRIOR TO FILING
	FORM 990, PART VI, SECTION B, LINE 12C	A QUESTIONNAIRE IS SENT OUT ANNUALLY TO ALL OFFICERS, DIRECTORS OR TRUSTEES, AND KEY EMPLOYEES TO DISCLOSE PERSONAL AND BUSINESS RELATIONSHIPS THE QUESTIONNAIRES ARE REVIEWED ANNUALLY IF A CONFLICT EXISTS RESTRICTIONS WILL BE IMPOSED ON PERSONS WITH A CONFLICT SUCH AS PROHIBITING THEM FROM PARTICIPATING IN THE GOVERING BODY'S DELIBERATIONS AND DECISIONS IN THE TRANSACTIONS
	FORM 990, PART VI, SECTION B, LINE 15	THE PROCESS FOR DETERMINING COMPENSATION OF THE CEO, COO, CFO, AND KEY EMPLOYEES INVOLVES REVIEW AND APPROVAL OF THE BOARD INCLUDING REVIEW OF COMPARABLE DATA FROM INDIANA HOSPITAL ASSOCIATION AND COMPDATA
	FORM 990, PART VI, SECTION C, LINE 19	CAMERON MEMORIAL COMMUNITY HOSPITAL KEEPS COPIES OF THEIR GOVERNING DOCUMENTS, CONFLICTS OF INTEREST POLICY, AND FINANCIAL STATEMENTS ON SITE AND ARE AVAILABLE UPON REQUEST
DESCRIPTION OF SERVICES - INDEPENDENT CONTRACTORS	FORM 990, PART VII, SECTION B, LINE 1, COLUMN B	NAME ANESTHESIOLOGY ASSOC PC SERVICES SERVICE ANESTHESIOLOGY SERVICES AND MEDICAL DIRECTOR NAME STEUBEN CO ANESTHESIA, PC SERVICES SERVICE ANESTHESIOLOGY SERVICES NAME HOSPITAL CARE GROUP PC SERVICES SERVICE HOSPITALIST NAME SOUTH BEND MEDICAL FOUNDATION SERVICE LAB MANAGEMENT SERVICES AND REFERENCE LAB SERVICES NAME CHUPP MEDICAL SERVICE URGENT CARE PHYSICIANS
OTHER FEES	FORM 990, PART IX, LINE 11G	PURCHASED SERVICES PROGRAM SERVICE EXPENSES 8,267,579 MANAGEMENT AND GENERAL EXPENSES 1,458,985 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 9,726,564
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 9	LOSS ON BOND DEFEASANCE -58,707
OVERSIGHT OF AUDIT	FORM 990, PART XII, LINE 2C	THE AUDIT COMMITTEE ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF THE FINANCIAL STATEMENTS AND SELECTION OF THE INDEPENDENT ACCOUNTANT, AND NO PROCESSES HAVE CHANGED FROM PRIOR YEAR

SCHEDULE R  
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization  
CAMERON MEMORIAL COMMUNITY HOSPITAL INC

Employer identification number  
35-0211370

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) CAMERON MEDICAL OUTREACH INC 416 E MAUMEE STREET ANGOLA, IN 46702 26-1105702	ASSISTED LIVING	IN	501(C)(3)	LINE 9	CAMERON MEMORIAL COMMUNITY HOSPITAL	Yes	
(2) CAMERON HOSPITAL FOUNDATION 416 E MAUMEE STREET ANGOLA, IN 46702 35-1722087	FUNDRAISING	IN	501(C)(3)	LINE 7	CAMERON MEMORIAL COMMUNITY HOSPITAL	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.)

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

Part IV

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

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



<b>Note.</b> Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule		<b>Yes</b>	<b>No</b>
<b>1</b> 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?			
<b>a</b>	Receipt of <b>(i)</b> interest <b>(ii)</b> annuities <b>(iii)</b> royalties or <b>(iv)</b> rent from a controlled entity	<b>1a</b>	No
<b>b</b>	Gift, grant, or capital contribution to related organization(s)	<b>1b</b>	No
<b>c</b>	Gift, grant, or capital contribution from related organization(s)	<b>1c</b>	Yes
<b>d</b>	Loans or loan guarantees to or for related organization(s)	<b>1d</b>	No
<b>e</b>	Loans or loan guarantees by related organization(s)	<b>1e</b>	No
<b>f</b>	Dividends from related organization(s)	<b>1f</b>	No
<b>g</b>	Sale of assets to related organization(s)	<b>1g</b>	No
<b>h</b>	Purchase of assets from related organization(s)	<b>1h</b>	No
<b>i</b>	Exchange of assets with related organization(s)	<b>1i</b>	No
<b>j</b>	Lease of facilities, equipment, or other assets to related organization(s)	<b>1j</b>	No
<b>k</b>	Lease of facilities, equipment, or other assets from related organization(s)	<b>1k</b>	Yes
<b>l</b>	Performance of services or membership or fundraising solicitations for related organization(s)	<b>1l</b>	No
<b>m</b>	Performance of services or membership or fundraising solicitations by related organization(s)	<b>1m</b>	No
<b>n</b>	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	<b>1n</b>	Yes
<b>o</b>	Sharing of paid employees with related organization(s)	<b>1o</b>	Yes
<b>p</b>	Reimbursement paid to related organization(s) for expenses	<b>1p</b>	No
<b>q</b>	Reimbursement paid by related organization(s) for expenses	<b>1q</b>	Yes
<b>r</b>	Other transfer of cash or property to related organization(s)	<b>1r</b>	No
<b>s</b>	Other transfer of cash or property from related organization(s)	<b>1s</b>	No

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) CAMERON HOSPITAL FOUNDATION	C	673,928	FMV
(2) CAMERON MEDICAL OUTREACH	K	333,888	FMV
(3) CAMERON MEDICAL OUTREACH	P	1,542,352	FMV

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

[illegible]

**Software ID:**  
**Software Version:**  
**EIN:** 35-0211370  
**Name:** CAMERON MEMORIAL COMMUNITY HOSPITAL INC

**Part VII** Supplemental Information

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

Identifier	Return Reference	Explanation	
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**CONSOLIDATED FINANCIAL STATEMENTS**

**AND**

**SUPPLEMENTARY INFORMATION**

**SEPTEMBER 30, 2013 AND 2012**

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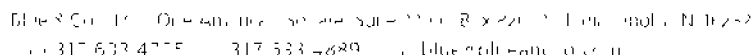
# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

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Board of Directors  
Cameron Memorial Community Hospital, Inc.  
Angola, Indiana

We have audited the accompanying consolidated financial statements of Cameron Memorial Community Hospital, Inc (the Hospital), which comprise the consolidated balance sheet as of September 30, 2013, and the related consolidated statements of operations and changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements

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

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General in the United States. 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 the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

Board of Directors  
Cameron Memorial Community Hospital Inc  
Angola, Indiana

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 the Hospital as of September 30, 2013, and its results of operations and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

## **PRIOR PERIOD CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements of the Hospital as of September 30, 2012, were audited by other auditors whose report dated February 15, 2013, expressed an unmodified opinion on those statements

## **REPORT ON SUPPLEMENTARY INFORMATION**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 2013 consolidating information listed in the accompanying table of contents is presented for purposes of additional analysis of the consolidated financial statements rather than to present the balance sheet, results of operations, changes in net assets and cash flows of the individual entities, and is not a required part of the consolidated financial statements. The accompanying 2013 schedule of expenditures of federal awards, as required by *Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* is presented for purposes of additional analysis and is also not a required part of the consolidated financial statements. Such 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 2013 information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole. The 2012 consolidating information listed in the accompanying table of contents was subjected to the auditing procedures applied in the 2012 audit of the basic consolidated financial statements by other auditors, whose report on such information stated that it was fairly stated in all material respects in relation to the 2012 consolidated financial statements as a whole.

Board of Directors  
Cameron Memorial Community Hospital Inc  
Angola, Indiana

## **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2013 on our consideration of the Hospital's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Hospital's internal control over financial reporting and compliance.

*Blue & Co., LLC*

Indianapolis, Indiana  
December 20, 2013



# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## CONSOLIDATED BALANCE SHEETS SEPTEMBER 30, 2013 AND 2012

	2013	2012
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 6,413,601	\$ 3,398,162
Patient accounts receivable, less allowances for uncollectible accounts of \$2,697,000 in 2013 and \$2,260,000 in 2012	6,436,118	6,678,333
Other receivables	601,152	169,366
Inventory	880,562	933,543
Prepaid expenses	411,378	304,185
Notes receivable, current portion	160,226	102,852
Total current assets	14,903,037	11,586,441
<b>Assets whose use is limited</b>		
Donor restricted	196,726	199,854
Held by trustee	31,676,377	354,800
Board designated for capital improvements	1,880,453	1,853,188
Total assets whose use is limited	33,753,556	2,407,842
<b>Investments</b>	14,770,139	15,628,463
<b>Property and equipment, net</b>	25,472,183	19,281,953
<b>Other assets</b>		
Deferred financing costs	730,921	58,708
Notes receivable, less current portion	409,572	285,456
Receivable from Cameron Hospital Foundation, Inc	214,527	536,015
Total other assets	1,355,020	880,179
Total assets	<u>\$ 90,253,935</u>	<u>\$ 49,784,878</u>

See accompanying notes to consolidated financial statements

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## CONSOLIDATED BALANCE SHEETS SEPTEMBER 30, 2013 AND 2012

---

### LIABILITIES AND NET ASSETS

	2013	2012
<b>Current liabilities</b>		
Accounts payable	\$ 1,409,073	\$ 1,355,697
Accrued wages and related liabilities	1,765,820	1,679,228
Accrued expenses and other liabilities	901,548	922,591
Estimated third-party settlements	2,527,258	311,105
Current portion of long-term debt	1,129,494	1,433,396
Total current liabilities	7,733,193	5,702,017
<b>Long-term liabilities</b>		
Long-term debt, less current portion	47,101,932	14,354,313
Total liabilities	54,835,125	20,056,330
<b>Net assets</b>		
Unrestricted	34,842,484	28,821,931
Temporarily restricted	576,326	906,617
Total net assets	35,418,810	29,728,548
Total liabilities and net assets	<u>\$ 90,253,935</u>	<u>\$ 49,784,878</u>

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See accompanying notes to consolidated financial statements

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012
<b>Unrestricted revenue, gains and other support</b>		
Net patient service revenue	\$ 49,107,932	\$ 45,111,387
Less provision for bad debts	4,891,286	4,357,268
Net patient service revenue net of provision for bad debts	44,216,646	40,754,119
Other revenue	2,786,043	2,954,230
Net assets released from restrictions	8,872	8,066
Total unrestricted revenue, gains and other support	47,011,561	43,716,415
<b>Expenses</b>		
Salaries and wages	15,813,893	14,805,748
Employee benefits	5,032,891	6,155,390
Purchased services and professional fees	10,283,926	8,761,985
Supplies	3,903,849	3,246,707
Repair and maintenance	1,321,635	1,280,286
Utilities	633,641	630,732
Equipment rent	558,901	537,625
Insurance	361,640	398,524
Interest	305,316	399,374
Depreciation and amortization	2,505,313	2,904,774
Other	2,922,439	3,211,405
Total expenses	43,643,444	42,332,550
Operating income	3,368,117	1,383,865
<b>Nonoperating income (expense)</b>		
Investment income	1,718,854	1,963,700
Loss on bond defeasance	(58,707)	-0-
Contributions	-0-	48,978
Total nonoperating income (expense)	1,660,147	2,012,678
Excess of revenues over expenses	5,028,264	3,396,543
<b>Other changes in net assets</b>		
Net assets released from restrictions for property	992,289	5,025
Change in unrestricted net assets	6,020,553	3,401,568
<b>Temporarily restricted net assets</b>		
Contributions	670,801	231,849
Investment income	69	924
Net assets released from restrictions	(1,001,161)	(13,091)
Change in temporarily restricted net assets	(330,291)	219,682
Change in net assets	5,690,262	3,621,250
<b>Net assets</b>		
Beginning of year	29,728,548	26,107,298
End of year	<u>\$ 35,418,810</u>	<u>\$ 29,728,548</u>

See accompanying notes to consolidated financial statements

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012
<b>Operating activities</b>		
Change in net assets	\$ 5,690,262	\$ 3,621,250
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation and amortization	2,505,313	2,904,774
Provision for bad debts	4,891,286	4,357,268
Loss on disposal of property and equipment	2,823	-0-
Realized and unrealized gain on investments	(1,352,584)	(1,676,793)
Loss on bond defeasance	58,707	-0-
Restricted contributions	(670,801)	(231,849)
Change in operating assets and liabilities		
Patient accounts receivable	(4,649,071)	(4,425,135)
Other receivables	(110,298)	121,306
Inventory and prepaid expenses	(54,212)	(127,625)
Notes receivable	(181,490)	(388,308)
Accounts payable, accrued wages and related liabilities	(1,896)	196,352
Accrued expenses and other liabilities	(21,043)	235,887
Estimated third-party settlements	2,216,153	150,690
Net cash flows from operating activities	8,323,149	4,737,817
<b>Investing activities</b>		
Proceeds from sale of investments	9,345,934	5,649,646
Purchase of investments	(38,480,740)	(6,856,458)
Purchase of property and equipment	(7,849,951)	(1,660,550)
Proceeds from disposal of property and equipment	150	-0-
Net cash flows from investing activities	(36,984,607)	(2,867,362)
<b>Financing activities</b>		
Restricted contributions	670,801	231,849
Payments on long-term debt	(15,002,078)	(1,559,030)
Payments for bond discount	(260,907)	-0-
Payments for deferred financing costs	(730,919)	-0-
Proceeds from issuance of long-term debt	47,000,000	-0-
Net cash from financing activities	31,676,897	(1,327,181)
Net change in cash and cash equivalents	3,015,439	543,274
<b>Cash and cash equivalents</b>		
Beginning of year	3,398,162	2,854,888
End of year	<u>\$ 6,413,601</u>	<u>\$ 3,398,162</u>
<b>Supplemental disclosure of cash flows information</b>		
Cash paid for interest net of amounts capitalized of \$691,000 in 2013 and \$205,000 in 2012	\$ 305,316	\$ 399,374
Property and equipment in accounts payable	\$ 141,864	\$ 219,329
Property and equipment acquired through capital leases	\$ 706,702	\$ 491,453

See accompanying notes to consolidated financial statements

# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### **1. ORGANIZATION**

#### Nature of Operations

Cameron Memorial Community Hospital, Inc (the Hospital), a not-for-profit organization, is a general acute care facility in Angola, Indiana with 25 licensed beds and associated ancillary service departments including outpatient services, home health care and an urgent care center. The Hospital provides health care services primarily in the northeast portion of Indiana. Expenses relate to the provision of medical care and related general and administrative costs.

Cameron Medical Outreach, Inc (CMO), a not-for-profit organization, is a community outreach organization providing health care needs of indigent individuals, medically underserved areas and the community as a whole. CMO primarily earns revenue from rental and leasing arrangements. The Hospital is the sole member of CMO which began operations on October 1, 2007. CMO operates an assisted living facility and medical office buildings in Angola, Indiana.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Hospital and CMO. Intercompany transactions and balances have been eliminated in the consolidation.

#### Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period and could differ from actual results.

# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### New Accounting Pronouncements

Effective October 1, 2012, the Hospital adopted Accounting Standards Update (ASU) 2011-07, Healthcare Entities (Topic 954), "Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Healthcare Entities," which requires certain healthcare entities to present the provision for bad debts relating to patient service revenue as a deduction from patient service revenue in the statements of operations and changes in net assets rather than as an operating expense. All periods presented have been reclassified to conform to this presentation. The Hospital's adoption of this standard had no net impact on its financial position, results of operations, or cash flows.

ASU 2011-07 also requires healthcare entities to provide enhanced disclosure about their policies for recognizing revenue and assessing bad debts, as well as qualitative and quantitative information about changes in the allowance for uncollectible accounts. See the "Patient Accounts Receivable and Net Patient Service Revenue" and "Allowance for Uncollectible Accounts" sections of this note.

### Cash and Cash Equivalents

The Hospital considers highly liquid investments available for operating purposes with an original maturity of 90 days or less to be cash and cash equivalents for the purposes of the consolidated statements of cash flows. The Hospital maintains its cash in accounts, which at times may exceed federally insured limits. The Hospital has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk on cash and cash equivalents.

### Patient Accounts Receivable and Net Patient Service Revenue

Patient service revenue and the related accounts receivable are recorded at the time services to patients are performed. The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. These estimated retroactive adjustments under reimbursement agreements are included with estimated third-party payor settlements. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### Allowance for Uncollectible Accounts

Patient accounts receivable are reduced by an allowance for uncollectible accounts based on the Hospital's evaluation of its major payor sources of revenue, the aging of the accounts, historical losses, current economic conditions, and other factors unique to its service area and the healthcare industry. Management regularly reviews data about the major payor sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts. For receivables associated with services provided to patients who have third-party coverage, the Hospital analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for bad debts, if necessary. For receivables associated with self-pay payments, which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill, the Hospital records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts.

During 2013, the Hospital's allowance for uncollectible accounts for patient services increased approximately \$437,000 from \$2,260,000 to \$2,697,000. The uncollectible allowance for self-pay balances increased approximately \$535,000 as the uncollectible estimate increased to 53% of self-pay balances at September 30, 2013 from 48% at September 30, 2012. The uncollectible allowance for third-party payor accounts decreased approximately \$98,000 as the uncollectible estimate was approximately 2% of third-party payor balances at September 30, 2013 and 2012. The changes are mainly based on the overall increase in self-pay patient accounts receivable and the Hospital's collection experience during 2013.

In addition, the Hospital's write-offs related primarily to self-pay decreased by approximately \$208,000 to approximately \$4,454,000 in 2013 from \$4,662,000 in 2012. The decrease was the result of trends experienced in the collection of amounts from self-pay and self-pay after third-party insurance patients during 2013. Furthermore, the Hospital enhanced its charity care policy during 2013 to adapt to economic conditions within the community.

As of September 30, 2013, the allowance for uncollectible accounts of approximately \$2,697,000 was comprised of \$2,534,000 reserved for self-pay balances and \$163,000 reserved for third-party payor balances. As of September 30, 2012, the allowance for uncollectible accounts of approximately \$2,260,000 was comprised of \$1,999,000 reserved for self-pay balances and \$261,000 reserved for third-party payor balances.

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# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### Estimated Third-Party Settlements

Estimated third-party settlements for the Medicare and Medicaid programs reflect the differences between interim reimbursement and reimbursement as determined by reports filed after the end of each year, and any differences owed to or by the Hospital after such reports have been audited. As of September 30, 2013, Medicare and Medicaid reports have been audited and final settled with the fiscal intermediary through September 30, 2009.

Changes to any previous year's estimated settlement are reflected in the period the intermediary finalizes its audit of cost reports, or when additional information becomes available. During 2013 and 2012, the Hospital did not recognize a change in net assets due to the differences between original estimates and subsequent revisions for the final settlement of cost reports.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as 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 will change in the near term.

### Inventory

Inventory consists mainly of pharmaceuticals and medical supplies and is stated at the lower of cost, determined using the first-in, first-out (FIFO) method, or market.

### Assets Limited as to Use

Assets limited as to use include (1) assets restricted by donors, (2) assets held by trustees under bond indenture agreements and (3) assets set aside by the Board of Directors for future capital improvements over which the Board retains control and may, at its discretion, subsequently use for other purposes. Amounts required to meet current liabilities of the Hospital are included in current assets.



# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### Investments and Investment Income

Investments in equity securities, having a readily determinable fair value, and all debt securities are carried at fair value. The Hospital has classified all of its investments in debt and equity securities as trading securities. Investment return includes dividend, interest and other investment income, and realized and unrealized gains and losses on investments carried at fair value. Investment income that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets. Other investment income is reflected in the consolidated statements of operations and changes in net assets as unrestricted or temporarily restricted based upon the existence and nature of any donor or legally imposed restrictions.

The Hospital invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying consolidated balance sheets.

### Property and Equipment

Property and equipment other than that received by donation, are reported at cost and depreciated on a straight-line basis over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives. The estimated useful lives are as follows:

	<u>Estimated Useful Lives</u>
Buildings and building improvements	5-50 years
Fixed equipment	3-20 years

Donations of property and equipment are reported at fair value as an increase in unrestricted net assets unless use of the assets is restricted by the donor. Monetary gifts that must be used to acquire property and equipment are reported as restricted support. The expiration of such restrictions is reported as an increase in unrestricted net assets when the donated asset is placed in service. Temporarily restricted net assets include property and equipment with a net book value of approximately \$165,000 and \$170,000 as of September 30, 2013 and 2012, respectively.

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012

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The Hospital capitalizes interest costs as a component of construction in progress, based on interest costs of borrowing specifically for the project, net of interest earned on investments acquired with the proceeds of the borrowing. Total interest capitalized and incurred at September 30 was

	2013	2012
Total interest incurred	\$ 995,899	\$ 604,011
Less net interest cost capitalized	690,583	204,637
Total interest expense	<u>\$ 305,316</u>	<u>\$ 399,374</u>

### Deferred Financing Costs and Original Issue Discounts

Deferred financing costs represent costs incurred in connection with the issuance of long-term debt. Such costs are amortized over the term of the respective debt. The discounts incurred in issuing the debt are classified with long-term debt and are amortized using the effective-interest method over the respective term of the bond issues.

### Notes Receivable

During 2013 and 2012, the Hospital extended credit in the form of notes receivable for patient service accounts where the patient established a long-term payment plan with the Hospital through a third-party collection agency. Notes receivable are for a period of up to five years, are interest free, unsecured and require monthly payments. The credit quality indicator is performance determined by delinquency status. Delinquency status is updated monthly. All notes receivable are considered performing.

Notes receivable are carried at their estimated collectible amounts and are periodically evaluated based on historical collections and current financial conditions. An estimated allowance for uncollectible amounts is established based on prior collection experience and current economic factors which, in management's judgment, could influence the ability of note recipients to repay the amounts due in accordance with the terms of the note agreements. The Hospital determines the estimated allowance for uncollectible amounts on notes receivable first by performing an evaluation of the individual notes and second by analyzing the overall performance of the aggregate notes receivable portfolio balance outstanding. After two missed payments, the notes receivable are charged against the allowance and remitted to a third-party collection agency. The evaluation of the collectability of notes receivable involves the use of significant estimates and assumptions. It is at least reasonably possible that management's estimate of uncollectible notes receivable will change in the near term.

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# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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As of September 30, 2013 and 2012, notes receivables approximated \$570,000 and \$388,000, respectively. At September 30, 2013 and 2012, the current portion of notes receivables approximated \$160,000 and \$103,000, respectively, with the remaining portion reported as long-term. The notes receivable are net of provisions made by the Hospital for amounts estimated to be uncollectible of approximately \$246,000 and \$166,000 as of September 30, 2013 and 2012, respectively.

### Temporarily Restricted Net Assets

Restricted net assets, the use of which is restricted by donors or grantors, are used to differentiate from unrestricted net assets on which donors or grantors place no restrictions or that arise as a result of the operations of the Hospital for its stated purposes. Restricted gifts and other restricted resources are recorded as additions to the appropriate restricted net assets at fair market value at the date of donation.

Resources restricted by donors for property and equipment replacement or expansion are added to unrestricted net assets to the extent expended within the period. Temporarily restricted net assets include property and equipment with a net book value of approximately \$165,000 and \$170,000 as of September 30, 2013 and 2012, respectively.

### Charity Care

The Hospital provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its charity care policy. Because the Hospital does not collect amounts deemed to be charity care, they are not reported as revenue.

The Hospital's patient assistance policy reflects the current economic conditions and other factors unique to the Hospital's customer base. Patient assistance provided during 2013 and 2012, measured at established rates, was approximately \$1,616,000 and \$1,048,000, respectively. In addition, other programs and services for the benefit of the community are provided. The costs of these programs are included in operating expenses. The Hospital receives reimbursements from certain governmental payors to assist in the funding of patient assistance.

Of the Hospital's total expenses reported (approximately \$43,643,000 and \$42,333,000 during 2013 and 2012, respectively), an estimated \$761,000 and \$551,000 arose from providing services to charity patients during 2013 and 2012, respectively. The estimated costs of providing patient assistance services are based on a calculation which applies a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients. The ratio of cost to charges is calculated based on the Hospital's total expenses divided by gross patient service revenue.

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# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### Contributions

Unconditional promises to give cash and other assets are accrued at estimated fair values at the date each promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported as an increase in unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions. Receipts of contributions which are conditional are reported as liabilities until the condition is eliminated or the contributed assets are returned to the donor.

### Income Taxes

The Hospital and CMO are not-for-profit corporations and have been recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. As such, the Hospital and CMO are generally exempt from income taxes. However, the Hospital and CMO are required to file Federal Form 990 – Return of Organizations Exempt from Income Tax which is an informational return only.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Hospital and CMO and recognize a tax liability if the Hospital or CMO have taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Hospital and CMO, and has concluded that as of September 30, 2013 and 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying consolidated financial statements. The Hospital and CMO are subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress.

The Hospital and CMO have filed their federal and state income tax returns for periods through September 30, 2012. These income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### Electronic Health Records (EHR) Incentive Payments

The Hospital receives EHR incentive payments under the Medicare and Medicaid programs. To qualify for the EHR incentive payments, the Hospital must meet "meaningful use" criteria that become more stringent over time. The Hospital periodically submits and attests to its use of certified EHR technology, satisfaction of meaningful use objectives, and various patient data. These submissions generally include performance measures for each annual EHR reporting period (Federal fiscal year ending September 30). The related EHR incentive payments are paid out over a four year transition schedule and are based upon data that is captured in the Hospital's cost reports. For Critical Access Hospitals, the payment calculation is based upon the net book value of the qualifying assets multiplied by the Medicare utilization using Medicare to total inpatient days plus 20%, not to exceed 100%. The total days are multiplied by a factor of total charges excluding charity care to total charges. Critical Access Hospitals can be reimbursed over a four year period for additional qualifying assets not claimed in the first year. The transitional factor ranges from 100% in the first payment year and decreases by 25% each payment year until it is completely phased out in the fifth year.

The Hospital recognizes EHR incentive payments as grant income when there is reasonable assurance that the Hospital will comply with the conditions of the meaningful use objectives and any other specific grant requirements. In addition, the consolidated financial statement effects of the grants must be both recognizable and measurable. During 2013 and 2012, the Hospital recognized approximately \$423,000 and \$460,000, respectively, in EHR incentive payments as grant income using the ratable recognition method. Under the ratable recognition method, the Hospital recognizes income ratably over the entire EHR reporting period when it is reasonably assured at the outset of the EHR reporting period that it will comply with the minimum requirements of the program.

EHR incentive income is included in other revenue in the consolidated statements of operations and changes in net assets. EHR incentive income recognized is based on management's estimate and amounts are subject to change, with such changes impacting operations in the period the changes occur.

Receipt of these funds is subject to the fulfillment of certain obligations by the Hospital as prescribed by the program, subject to future audits and may be subject to repayment upon a determination of noncompliance.

# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### Excess of Revenues Over Expenses

The consolidated statements of operations and changes in net assets include a performance indicator, excess of revenues over expenses. Transactions deemed by management to be ongoing, major, or central to the provision of healthcare services are reported as revenue, gains, support, and expenses. Transactions incidental to the provision of patient care services are reported as nonoperating income and expense. Changes in unrestricted net assets which are excluded from the performance indicator consistent with industry practice, include unrealized gains and losses on investments in other-than-trading securities and contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purposes of acquiring such assets).

### Reclassifications

Certain amounts in the 2012 consolidated financial statements have been reclassified to conform to the 2013 presentation. These reclassifications had no impact on net assets and changes in net assets for 2012, as previously reported.

### Subsequent Events

The Hospital has evaluated events or transactions occurring subsequent to the consolidated balance sheet date for recognition and disclosure in the accompanying consolidated financial statements through the date the consolidated financial statements are issued which is December 20, 2013.

## **3. NET PATIENT SERVICE REVENUE**

The Hospital has agreements with third-party payers that provide for payments to the Hospital at amounts different from its established rates. These payment arrangements include:

### Medicare

The Hospital is a provider of services to patients entitled to coverage under Titles XVIII and XIX of the Health Insurance Act (Medicare and Medicaid). In February 2003, the Hospital was granted Critical Access Status by Medicare and is paid for Medicare services based upon a cost reimbursement methodology. The Hospital is reimbursed for cost reimbursable items at an interim rate, with final settlement determined after submission of annual cost reports. Differences between the total program billed charges and the payments received are reflected as deductions from revenue. At the Hospital's year-end, a cost report is filed with the Medicare program computing reimbursement amounts related to Medicare patients.

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# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### Medicaid and Hospital Assessment Fee Program

The Hospital is reimbursed for Medicaid inpatient services under a prospectively determined rate-per-discharge and is not subject to retroactive adjustment. The differences between standard charges and reimbursement from these programs are recorded as contractual adjustments. Reimbursement for Medicaid outpatient services is based on predetermined rates, and is not subject to retroactive cost based settlements.

During 2012, Hospital Assessment Fee (HAF) Program for the period July 1, 2011 through June 30, 2013 was approved by Centers for Medicare & Medicaid Services (CMS) retroactive to July 1, 2011. The purpose of the HAF Program is to fund the State share of enhanced Medicaid payments and Medicaid Disproportionate Share payments for Indiana hospitals as reflected in the HAF Program expense reported in the consolidated statements of operations and changes in net assets. Previously, the State share was funded by governmental entities through intergovernmental transfers. The Medicaid enhanced payments relate to both fee for service and managed care claims. The Medicaid enhanced payments are designed to follow the patients and result in increased Medicaid rates. During 2013 and 2012, the Hospital recognized HAF Program expense of approximately \$966,000 and \$1,249,000, respectively, which resulted in increased Medicaid reimbursement of approximately \$1,660,000 and \$2,130,000, respectively. The HAF Program expense is included in other expenses and the associated increase in Medicaid reimbursement is included in net patient service revenue on the consolidated statements of operations and changes in net assets. The HAF Program is currently pending approval by CMS for extension through June 30, 2017.

### Other Payment Arrangements

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

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012

A summary of net patient service revenue, contractual adjustments, and patient service revenue forgone for patient assistance, at standard charges, for 2013 and 2012 follows

	2013	2012
Gross patient service revenue		
Routine services	\$ 5,456,206	\$ 4,261,285
Inpatient services	11,524,141	7,994,656
Outpatient services	75,704,246	68,309,195
Total gross patient service revenue	92,684,593	80,565,136
Less deductions from revenue		
Charity care	1,615,733	1,048,149
Contractual allowances	41,960,928	34,405,600
Total deductions from revenue	43,576,661	35,453,749
Net patient service revenue	49,107,932	45,111,387
Less provision for bad debts	4,891,286	4,357,268
Net patient service revenue net of provision for bad debts	<u>\$ 44,216,646</u>	<u>\$ 40,754,119</u>

### 4. CONCENTRATION OF CREDIT RISK

The Hospital grants credit without collateral to its patients, most of who are area residents and are insured under third-party payer agreements. The mix of receivables and revenue from patients and third-party payers at September 30 was

	Receivables		Revenues	
	2013	2012	2013	2012
Medicare	28%	28%	29%	29%
Medicaid	8%	8%	11%	11%
Blue Cross	9%	10%	19%	20%
Other third-party payors	16%	18%	32%	31%
Self pay	39%	36%	9%	9%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>



# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012

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### 5. INVESTMENTS AND INVESTMENT INCOME

#### Assets Whose Use is Limited

Assets limited as to use at September 30 include

	2013	2012
Donor restricted		
Cash and cash equivalents	\$ 196,726	\$ 199,854
Held by trustee		
Cash and cash equivalents	31,676,377	354,800
Board designated for capital improvements		
Mutual funds	1,880,453	1,853,188
Total assets whose use is limited	<u>\$ 33,753,556</u>	<u>\$ 2,407,842</u>

#### Long-term Investments

Long-term investments at September 30 include

	2013	2012
Cash and cash equivalents	\$ 224,600	\$ 2,378,997
Mutual funds	14,545,539	13,249,466
	<u>\$ 14,770,139</u>	<u>\$ 15,628,463</u>

Total investment income is comprised of the following

	2013	2012
Interest and dividend income (net of fees of \$15,482 during 2013 and \$13,128 during 2012)	\$ 366,339	\$ 287,831
Realized gain on investments	742,287	66,621
Unrealized gain on investments	610,297	1,610,172
Total investment income	<u>\$ 1,718,923</u>	<u>\$ 1,964,624</u>

# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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Total investment income is reflected in the consolidated statements of operations and changes in net assets as follows

	<u>2013</u>	<u>2012</u>
Unrestricted net assets	\$ 1,718,854	\$ 1,963,700
Temporarily restricted net assets	69	924
	<u>\$ 1,718,923</u>	<u>\$ 1,964,624</u>

### **6. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or 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 or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of September 30, 2013 and 2012.

- *Money market funds:* Valued based at the subscription and redemption activity at a \$1 stable net asset value (NAV). However, on a daily basis the funds are valued at their daily NAV calculated using the amortized cost of the securities.
- *Mutual funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Hospital are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Hospital are deemed to be actively traded.

The following tables set forth by level, within the hierarchy, the Hospital's assets measured at fair value on a recurring basis as of September 30, 2013 and 2012.

	September 30, 2013			
	Total	Level 1	Level 2	Level 3
<b>Assets</b>				
Assets whose use is limited				
Cash and cash equivalents				
Money market funds	\$ 31,873,103	\$ -0-	\$ 31,873,103	\$ -0-
Mutual funds - fixed income	1,880,453	1,880,453	-0-	-0-
	<u>\$ 33,753,556</u>	<u>\$ 1,880,453</u>	<u>\$ 31,873,103</u>	<u>\$ -0-</u>
Investments				
Cash and cash equivalents				
Money market funds	\$ 224,600	\$ -0-	\$ 224,600	\$ -0-
Mutual funds				
Mid growth funds	720,139	720,139	-0-	-0-
Large growth funds	4,247,236	4,247,236	-0-	-0-
Large blend funds	4,547,204	4,547,204	-0-	-0-
Large value funds	650,101	650,101	-0-	-0-
Fixed income funds	4,380,859	4,380,859	-0-	-0-
Total mutual funds	<u>14,545,539</u>	<u>14,545,539</u>	<u>-0-</u>	<u>-0-</u>
	<u>\$ 14,770,139</u>	<u>\$ 14,545,539</u>	<u>\$ 224,600</u>	<u>\$ -0-</u>

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012

	September 30, 2012			
	Total	Level 1	Level 2	Level 3
<b>Assets</b>				
Assets whose use is limited				
Cash and cash equivalents				
Money market funds	\$ 554,654	\$ -0-	\$ 554,654	\$ -0-
Mutual funds - fixed income	1,853,188	1,853,188	-0-	-0-
	<u>\$ 2,407,842</u>	<u>\$ 1,853,188</u>	<u>\$ 554,654</u>	<u>\$ -0-</u>
Investments				
Cash and cash equivalents				
Money market funds	\$ 2,378,997	\$ -0-	\$ 2,378,997	\$ -0-
Mutual funds				
Mid growth funds	569,503	569,503	-0-	-0-
Large growth funds	3,457,345	3,457,345	-0-	-0-
Large blend funds	3,785,220	3,785,220	-0-	-0-
Large value funds	546,959	546,959	-0-	-0-
Fixed income funds	4,890,439	4,890,439	-0-	-0-
Total mutual funds	<u>13,249,466</u>	<u>13,249,466</u>	<u>-0-</u>	<u>-0-</u>
	<u>\$ 15,628,463</u>	<u>\$ 13,249,466</u>	<u>\$ 2,378,997</u>	<u>\$ -0-</u>

The Hospital's policy is to recognize transfers between levels as of the end of the reporting period. There were no transfers during 2013 and 2012.

Realized gains and losses are reported in the consolidated statements of operations and changes in net assets as a component of investment income. Realized gains of approximately \$742,000 and \$67,000 were recorded during 2013 and 2012, respectively.

The market value of investments exceeded the cost by approximately \$620,000 and \$10,000 as of September 30, 2013 and 2012, respectively. The unrealized gains and losses are included in earnings for the period attributable to the change in unrealized gains and losses relating to assets held as of September 30, 2013 and 2012, and are reported in the consolidated statements of operations and changes in net assets as unrealized gain on trading securities. During 2013 and 2012, the Hospital recognized unrealized gains of approximately \$610,000 and \$1,610,000, respectively.

The Hospital holds investments which are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying consolidated financial statements.

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012

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The following methods and assumptions were used by the Hospital in estimating the fair value of its financial instruments

Cash and cash equivalents, accounts payable, accrued wages and related liabilities, accrued expenses and other liabilities, and estimated third-party settlements The carrying amount reported in the consolidated balance sheets for cash and cash equivalents, accounts payable, accrued wages and related liabilities, accrued expense and other liabilities, and estimated third-party settlements approximate fair value based on short-term maturity

Long-term debt Fair value of the Hospital's long-term debt, based on current quoted market value of similar debt instruments, has an approximate fair value of \$45,780,000 as of September 30, 2013

### 7. PROPERTY AND EQUIPMENT

Property and equipment is recorded at cost, and at September 30 consist of

	2013	2012
Land	\$ 750,190	\$ 750,190
Land held for expansion	2,869,945	2,869,945
Buildings and building improvements	21,006,422	20,978,037
Fixed equipment	17,548,417	16,387,205
	<u>42,174,974</u>	<u>40,985,377</u>
Less accumulated depreciation	<u>28,378,607</u>	<u>26,149,452</u>
	13,796,367	14,835,925
Construction in progress	11,675,816	4,446,028
	<u>\$ 25,472,183</u>	<u>\$ 19,281,953</u>

Construction in progress as of September 30, 2013 relates to the construction of the new Hospital. The estimated cost to complete this project as of September 30, 2013 is approximately \$38,656,000, of which \$38,206,000 has been contractually committed

### 8. LINE OF CREDIT

The Hospital has a \$2,000,000 revolving bank line of credit expiring in April 2014. At September 30, 2013 and 2012, there were no borrowings against this line. The line is unsecured. Interest varies with the bank's prime rate and is payable monthly. In connection with the line of credit, the entities are required to meet certain covenant requirements

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012

### 9. LONG-TERM DEBT

The Hospital's long-term debt at September 30 consists of the following

	2013	2012
Indiana Finance Authority Health Facility Revenue Bonds, Series 2009A, dated December 29, 2009 3 08%, payable in monthly installments of \$47,860 including interest, refinanced during 2013	\$ -0-	\$ 9,237,884
Indiana Finance Authority Health Facility Revenue Bonds, Series 2009B, dated December 29, 2009, 3 25%, payable in monthly installments of \$23,225 including interest, refinanced during 2013	-0-	4,409,353
Indiana Finance Authority Health Facility Revenue Bonds, Series 2013A, dated February 6, 2013, fixed interest of 2 20%, interest only payable in semi-annual installments until 2016, due in 2016	37,000,000	-0-
Indiana Finance Authority Health Facility Revenue Bonds, Series 2013B, dated February 6, 2013 variable interest rate, 3 25% as of September 30, 2013, interest only payable in semi-annual installments until 2017, principal and interest payable in semi-annual installments beginning 2017, due 2041	1,000,000	-0-
Indiana Finance Authority Health Facility Revenue Bonds, Series 2013C, dated February 6, 2013 variable interest rate, 3 25% as of September 30, 2013, interest only payable in semi-annual installments until 2017, principal and interest payable in semi-annual installments beginning 2017, due 2041	9,000,000	-0-
Various capital lease obligations, imputed interest rates ranging from 4 05% to 8 69%, expiring through 2017, collateralized by equipment	1,492,333	2,140,472
	48,492,333	15,787,709
Less unamortized bond discount	260,907	-0-
Less current portion	1,129,494	1,433,396
	<u>\$ 47,101,932</u>	<u>\$ 14,354,313</u>

In February 2013, the Hospital, through the Indiana Finance Authority (the Authority), issued the Series 2013A Bond Anticipation Notes (BANs) for \$37,000,000, the Series 2013B Bonds for \$1,000,000 and the Series 2013C Bonds for \$9,000,000 for construction of the replacement Hospital facility (the Project) and to refinance the Series 2009A and 2009B Bonds. The refinancing of the Series 2009A and 2009B Bonds resulted in a loss on bond defeasance of approximately \$59,000 in 2013.

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012

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The Series 2013A BANs require interest only payments at 2.20% during construction and mature February 1, 2016. It is anticipated the Series 2013A BANs will be redeemed at or prior to the maturity date through the issuance of a United States Department of Agriculture (USDA) Direct Loan to be issued upon the completion of the Project. The USDA Direct Loan will have a term of 40 years at a fixed rate of 3.375%.

In conjunction with the issuance of the Series 2013A BANs, the Hospital, through the Authority, issued the Series 2013B Bonds and the Series 2013C Bonds, which were purchased by The Farmers & Merchants State Bank (Farmers & Merchants). Farmers & Merchants has agreed to hold the Series 2013B Bonds through the stated maturity date of February 1, 2041. Farmers & Merchants has agreed to hold the Series 2013C Bonds until at least February 1, 2026. Farmers & Merchants has the option to tender the Series 2013C Bonds on February 1, 2026, by giving not less than 120 days' notice of its exercise of such option prior to such date. The Series 2013C Bonds mature on February 1, 2041.

The Series 2013B Bonds and the Series 2013C Bonds bear interest (i) prior to completion of the Project at the Farmers & Merchants' prime rate index (3.25% as of September 30, 2013), not to exceed a cap of 4.5% per annum, and (ii) following completion of the Project, at the Farmers & Merchants' prime rate index plus .25%, not to exceed a cap of 5.5% per annum. The Series 2013B and 2013C Bonds require interest only payments during the anticipated construction period. The Hospital and Farmers & Merchants anticipate that the USDA will issue a guarantee of the loan represented by the Series 2013C Bonds, upon completion of the Project.

The Hospital granted a security interest in its revenues and a mortgage on substantially all of its real property in order to secure obligations issued under the Master Trust Indenture among the Hospital and the Master Trustee. The Series 2013A BANs and the Series 2013B and 2013C Bonds are all secured on parity pursuant to notes issued under the Master Trust Indenture. In addition to various financial covenants, the Hospital has covenanted in the Master Trust Indenture that it will not permit any lien or security interest on the Hospital's property and equipment other than certain permitted encumbrances. The Hospital believes it was in compliance with the financial covenants as of September 30, 2013.

Property and equipment include the following property under capital leases:

	2013	2012
Equipment	\$ 6,812,451	\$ 5,764,610
Less accumulated depreciation	5,435,448	4,260,471
	<u>\$ 1,377,003</u>	<u>1,504,139</u>

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# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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For the following maturities disclosure, the scheduled maturities of the Series 2013A BANs have been replaced with the scheduled maturities of the USDA Direct Loan beginning in 2016. The aggregate annual maturities of long-term debt at September 30, 2013 are as follows:

<u>Year Ending September 30,</u>	
2014	\$ 1,129,494
2015	275,691
2016	987,359
2017	1,143,219
2018	1,129,230
Thereafter	<u>43,827,340</u>
	<u>\$ 48,492,333</u>

### **10. TEMPORARILY RESTRICTED NET ASSETS**

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

	<u>2013</u>	<u>2012</u>
Health care services		
Magnetic Resonance Imaging housing addition	\$ 165,073	\$ 170,748
Home health care	<u>196,726</u>	<u>199,854</u>
	361,799	370,602
 Funds for expansion, receivable due from Cameron Hospital Foundation, Inc		
	<u>214,527</u>	<u>536,015</u>
	<u>\$ 576,326</u>	<u>\$ 906,617</u>

During 2013 and 2012, net assets were released from donor restrictions by incurring expenses or satisfying the restricted purposes of approximately of \$1,001,000 and \$13,000, respectively.

### **11. OPERATING LEASES**

Noncancelable operating leases for certain diagnostic equipment and computer software and hardware expire in various years through 2018. Rental payments include minimum rentals, plus contingent rentals based on the number of procedures performed using the equipment.

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# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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Future minimum lease payments at September 30, 2013, were

<u>Year Ending September 30,</u>	
2014	\$ 459,482
2015	185,064
2016	95,820
2017	43,253
2018	10,032
	<u>\$ 793,651</u>

Rental expense for all operating leases for 2013 and 2012 was approximately \$559,000 and \$538,000, respectively

The Hospital and CMO own a medical office building and an oncology facility adjacent to the Hospital facility, along with an assisted living facility. The medical office building and equipment are included in property and equipment, with a cost of approximately \$1,564,000 and accumulated depreciation of \$1,564,000 at September 30, 2013 and 2012. The oncology facility is included in property and equipment with a cost of approximately \$1,347,000 and \$1,297,000 and accumulated depreciation of \$447,000 and \$381,000 at September 30, 2013 and 2012, respectively. The assisted living facility is also included in property and equipment, with a cost of approximately \$4,795,000 and \$4,791,000 and accumulated depreciation of \$1,669,000 and \$1,537,000 at September 30, 2013 and 2012, respectively. The entities lease space in the medical office building and a portion of the oncology facility to physicians and tenants under various operating leases, with terms of three years with three-year renewal options. The entities also operate an assisted living facility which leases apartments under cancellable month-to-month lease terms. Rental income under the term of these leases is included in other revenue and was approximately \$1,808,000 and \$1,873,000 in 2013 and 2012, respectively.

Future minimum lease payments to be received at September 30, 2013, were

<u>Year Ending September 30,</u>	
2014	\$ 42,233
2015	35,470
2016	36,776
	<u>\$ 114,479</u>

# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### **12. PENSION PLAN**

The Hospital has a defined contribution pension plan covering substantially all employees. The Board of Directors annually determines the amount, if any, of the Hospital's contributions to the plan. Pension expense was approximately \$473,000 and \$495,000 for 2013 and 2012, respectively.

### **13. MEDICAL MALPRACTICE**

The Hospital and CMO participate in the Indiana Medical Malpractice Act which limits the maximum recovery for qualified medical malpractice claims to \$1,250,000 per occurrence, the first \$250,000 of which would be the responsibility of the entities, with the balance paid by the state of Indiana Patient Compensation Fund. The Hospital purchases medical malpractice insurance under a claims-made policy on a fixed premium basis. Accounting principles generally accepted in the United States of America require a health care provider to accrue the expense of its share of malpractice claim costs, if any, for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate costs of the incidents. Based upon the Hospital's claim experience, no such accrual has been made. It is reasonably possible that this estimate could change materially in the near term.

### **14. SELF-INSURED EMPLOYEE HEALTH CLAIMS**

The Hospital's employee health care insurance is provided through a combination of self-insurance and purchased re-insurance coverage from a commercial carrier. The Hospital maintains an estimated liability for the amount of claims incurred but not reported. Substantially all employees are covered for major medical benefits. The specific annual attachment point for an individual is \$100,000 with a policy period maximum of \$2,000,000. The aggregate stop loss as of September 30, 2013 was approximately \$4,100,000. Total expense was approximately \$3,224,000 during 2013 and \$4,393,000 during 2012, respectively.

The liability for employee health claims represents management's estimate of all incurred and reported claims plus estimated incurred but not reported claims based on the Hospital's reporting system. The carrying amount of the liability was approximately \$350,000 and \$700,000 as of September 30, 2013 and 2012, respectively. The liability is included in accrued expenses and other liabilities in the accompanying consolidated balance sheets. It is reasonably possible that the Hospital's estimate of losses will change by a material amount in the near term.

# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### **15. FUNCTIONAL EXPENSES**

The Hospital and CMO provide general health care services to residents within their geographic location including pediatric care, cardiac intensive care and outpatient surgery. Expenses related to providing these services are as follows:

	2013	2012
Health care services	\$ 37,096,927	\$ 35,982,667
General and administrative	6,546,517	6,349,883
	<u>\$ 43,643,444</u>	<u>\$ 42,332,550</u>

Certain costs have been allocated among health care services and general and administrative categories based on the actual direct expenditures and cost allocations based upon time spent by the Hospital's personnel. Although the methods used were appropriate, alternative methods may provide different results.

### **16. RELATED PARTY TRANSACTIONS**

The Hospital and Cameron Hospital Foundation, Inc. (Foundation) are related parties that are not financially interrelated organizations. The Foundation was established to solicit contributions from the general public and to help support community and health care related educational events. In the absence of donor restrictions, funds are distributed as determined by the Foundation's Board of Directors, which are separately appointed from that of the Hospital. The Hospital provides accounting and financial management services to the Foundation and billed the Foundation \$20,000 and \$16,000 during 2013 and 2012, respectively. Excluding capital campaign contributions, the Foundation contributed approximately \$40,000 and \$49,000 to the Hospital in fiscal years 2013 and 2012, respectively.

The Foundation is conducting a capital campaign for the construction of the new Hospital facility where all funds collected are raised specifically for the Hospital's capital campaign. As a result, the Hospital recorded a receivable from the Foundation for approximately \$215,000 and \$536,000 at September 30, 2013 and 2012, respectively. The Foundation made capital contributions to the Hospital of approximately \$650,000 and \$230,000 during 2013 and 2012, respectively. There were no significant intercompany payables at September 30, 2013 and 2012.

# **CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2013 AND 2012**

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### **17. COMMITMENTS AND CONTINGENCIES**

#### Regulatory Investigations

The U S Department of Justice, the Internal Revenue Service, and other federal agencies routinely conduct regulatory investigations and compliance audits of healthcare providers. The Hospital is subject to these regulatory efforts. Management believes that any liability resulting from these matters will not have a material impact on the financial position, results of operations or cash flows of the Hospital.

#### Legal Matters

The Hospital is involved in various legal actions in the normal course of its operations. Management believes that any liability resulting from these matters will not have a material impact on the financial position, results of operations or cash flows of the Hospital.

## SUPPLEMENTARY INFORMATION

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## CONSOLIDATING BALANCE SHEETS SEPTEMBER 30, 2013

	Cameron Memorial Community Hospital, Inc	Cameron Medical Outreach, Inc	Eliminations	Total
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 5,189,524	\$ 1,224,077	\$ -0-	\$ 6,413,601
Patient accounts receivable, net	6,436,118	-0-	-0-	6,436,118
Other receivables	946,713	336,553	(682,114)	601,152
Inventory	880,562	-0-	-0-	880,562
Prepaid expenses	411,378	-0-	-0-	411,378
Notes receivable, current portion	160,226	-0-	-0-	160,226
Total current assets	14,024,521	1,560,630	(682,114)	14,903,037
<b>Assets whose use is limited</b>				
Donor restricted	196,726	-0-	-0-	196,726
Held by trustee	31,676,377	-0-	-0-	31,676,377
Board designated for capital improvements	1,880,453	-0-	-0-	1,880,453
Total assets whose use is limited	33,753,556	-0-	-0-	33,753,556
<b>Investments</b>	18,099,160	-0-	(3,329,021)	14,770,139
<b>Property and equipment, net</b>	22,333,883	3,138,300	-0-	25,472,183
<b>Other assets</b>				
Deferred financing costs	730,921	-0-	-0-	730,921
Notes receivable, less current portion	409,572	-0-	-0-	409,572
Receivable from Cameron Hospital Foundation, Inc	214,527	-0-	-0-	214,527
Total other assets	1,355,020	-0-	-0-	1,355,020
Total assets	<u>\$ 89,566,140</u>	<u>\$ 4,698,930</u>	<u>\$ (4,011,135)</u>	<u>\$ 90,253,935</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 1,742,961	\$ 348,226	\$ (682,114)	\$ 1,409,073
Accrued wages and related liabilities	1,765,820	-0-	-0-	1,765,820
Accrued expenses and other liabilities	901,548	-0-	-0-	901,548
Estimated third-party settlements	2,527,258	-0-	-0-	2,527,258
Current portion of long-term debt	1,129,494	-0-	-0-	1,129,494
Total current liabilities	8,067,081	348,226	(682,114)	7,733,193
<b>Long-term liabilities</b>				
Long-term debt, less current portion	47,101,932	-0-	-0-	47,101,932
Total liabilities	55,169,013	348,226	(682,114)	54,835,125
<b>Net assets</b>				
Unrestricted	33,820,801	4,350,704	(3,329,021)	34,842,484
Temporarily restricted	576,326	-0-	-0-	576,326
Total net assets	34,397,127	4,350,704	(3,329,021)	35,418,810
Total liabilities and net assets	<u>\$ 89,566,140</u>	<u>\$ 4,698,930</u>	<u>\$ (4,011,135)</u>	<u>\$ 90,253,935</u>

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## CONSOLIDATING BALANCE SHEETS SEPTEMBER 30, 2012

	Cameron Memorial Community Hospital, Inc	Cameron Medical Outreach, Inc	Eliminations	Total
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 2,486,769	\$ 911,393	\$ -0-	\$ 3,398,162
Patient accounts receivable, net	6,678,333	-0-	-0-	6,678,333
Other receivables	642,915	337,622	(811,171)	169,366
Inventory	933,543	-0-	-0-	933,543
Prepaid expenses	102,852	-0-	-0-	102,852
Notes receivable, current portion	304,185	-0-	-0-	304,185
Total current assets	11,148,597	1,249,015	(811,171)	11,586,441
<b>Assets whose use is limited</b>				
Donor restricted	199,854	-0-	-0-	199,854
Held by trustee	354,800	-0-	-0-	354,800
Board designated for capital improvements	1,853,188	-0-	-0-	1,853,188
Total assets whose use is limited	2,407,842	-0-	-0-	2,407,842
<b>Investments</b>	18,941,561	-0-	(3,313,098)	15,628,463
<b>Property and equipment, net</b>	16,027,574	3,254,379	-0-	19,281,953
<b>Other assets</b>				
Deferred financing costs	58,708	-0-	-0-	58,708
Notes receivable, less current portion	285,456	-0-	-0-	285,456
Receivable from Cameron Hospital Foundation, Inc	536,015	-0-	-0-	536,015
Total other assets	880,179	-0-	-0-	880,179
Total assets	<u>\$ 49,405,753</u>	<u>\$ 4,503,394</u>	<u>\$ (4,124,269)</u>	<u>\$ 49,784,878</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 1,689,585	\$ 477,283	\$ (811,171)	\$ 1,355,697
Accrued wages and related liabilities	1,679,228	-0-	-0-	1,679,228
Accrued expenses and other liabilities	922,591	-0-	-0-	922,591
Estimated third-party settlements	311,105	-0-	-0-	311,105
Current portion of long-term debt	1,433,396	-0-	-0-	1,433,396
Total current liabilities	6,035,905	477,283	(811,171)	5,702,017
<b>Long-term liabilities</b>				
Long-term debt, less current portion	14,354,313	-0-	-0-	14,354,313
Total liabilities	20,390,218	477,283	(811,171)	20,056,330
<b>Net assets</b>				
Unrestricted	28,108,918	4,026,111	(3,313,098)	28,821,931
Temporarily restricted	906,617	-0-	-0-	906,617
Total net assets	29,015,535	4,026,111	(3,313,098)	29,728,548
Total liabilities and net assets	<u>\$ 49,405,753</u>	<u>\$ 4,503,394</u>	<u>\$ (4,124,269)</u>	<u>\$ 49,784,878</u>

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## CONSOLIDATING STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS YEAR ENDED SEPTEMBER 30, 2013

	Cameron Memorial Community Hospital, Inc	Cameron Medical Outreach, Inc	Eliminations	Total
<b>Unrestricted revenue, gains and other support</b>				
Net patient service revenue	\$49,107,932	\$ -0-	\$ -0-	\$49,107,932
Less provision for bad debts	4,891,286	-0-	-0-	4,891,286
Net patient service revenue net of provision for bad debts	44,216,646	-0-	-0-	44,216,646
Other revenue	1,268,590	1,854,006	(336,553)	2,786,043
Net assets released from restrictions	8,872	-0-	-0-	8,872
Total revenue, gains and other support	45,494,108	1,854,006	(336,553)	47,011,561
<b>Expenses</b>				
Salaries and wages	15,232,244	581,649	-0-	15,813,893
Employee benefits	5,032,891	-0-	-0-	5,032,891
Purchased services and professional fees	10,231,767	52,159	-0-	10,283,926
Supplies	3,903,849	-0-	-0-	3,903,849
Repair and maintenance	1,275,835	45,800	-0-	1,321,635
Utilities	513,687	119,954	-0-	633,641
Equipment rent	887,234	8,220	(336,553)	558,901
Insurance	361,640	-0-	-0-	361,640
Interest	305,316	-0-	-0-	305,316
Depreciation and amortization	2,373,312	132,001	-0-	2,505,313
Other	2,316,886	605,553	-0-	2,922,439
Total expenses	42,434,661	1,545,336	(336,553)	43,643,444
Operating income	3,059,447	308,670	-0-	3,368,117
<b>Nonoperating income (expense)</b>				
Investment income	1,718,854	-0-	-0-	1,718,854
Loss on bond defeasance	(58,707)	-0-	-0-	(58,707)
Total nonoperating income (expense)	1,660,147	-0-	-0-	1,660,147
Excess of revenues over expenses	4,719,594	308,670	-0-	5,028,264
<b>Other changes in net assets</b>				
Net assets released from restrictions for property	992,289	-0-	-0-	992,289
Change in unrestricted net assets	5,711,883	308,670	-0-	6,020,553
<b>Temporarily restricted net assets</b>				
Contributions	670,801	-0-	-0-	670,801
Investment income	69	-0-	-0-	69
Net assets released from restrictions	(1,001,161)	-0-	-0-	(1,001,161)
Change in temporarily restricted net assets	(330,291)	-0-	-0-	(330,291)
<b>Transfers</b>	-0-	15,923	(15,923)	-0-
Change in net assets	5,381,592	324,593	(15,923)	5,690,262
<b>Net assets</b>				
Beginning of year	29,015,535	4,026,111	(3,313,098)	29,728,548
End of year	<u>\$34,397,127</u>	<u>\$ 4,350,704</u>	<u>\$ (3,329,021)</u>	<u>\$35,418,810</u>



# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## CONSOLIDATING STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS YEAR ENDED SEPTEMBER 30, 2012

	Cameron Memorial Community Hospital, Inc	Cameron Medical Outreach, Inc	Eliminations	Total
<b>Unrestricted revenue, gains and other support</b>				
Net patient service revenue	\$45,111,387	\$ -0-	\$ -0-	\$45,111,387
Less provision for bad debts	4,357,268	-0-	-0-	4,357,268
Net patient service revenue net of provision for bad debts	40,754,119	-0-	-0-	40,754,119
Other revenue	1,391,415	1,900,437	(337,622)	2,954,230
Net assets released from restrictions	8,066	-0-	-0-	8,066
Total revenue, gains and other support	42,153,600	1,900,437	(337,622)	43,716,415
<b>Expenses</b>				
Salaries and wages	14,238,247	567,501	-0-	14,805,748
Employee benefits	6,155,390	-0-	-0-	6,155,390
Purchased services and professional fees	8,720,778	41,207	-0-	8,761,985
Supplies	3,246,707	-0-	-0-	3,246,707
Repair and maintenance	1,244,739	35,547	-0-	1,280,286
Utilities	512,496	118,236	-0-	630,732
Equipment rent	865,424	9,823	(337,622)	537,625
Insurance	398,524	-0-	-0-	398,524
Interest	399,374	-0-	-0-	399,374
Depreciation and amortization	2,776,400	128,374	-0-	2,904,774
Other	2,582,248	629,157	-0-	3,211,405
Total expenses	41,140,327	1,529,845	(337,622)	42,332,550
Operating income	1,013,273	370,592	-0-	1,383,865
<b>Nonoperating income (expense)</b>				
Investment income	1,963,700	-0-	-0-	1,963,700
Contributions	48,978	-0-	-0-	48,978
Total nonoperating income (expense)	2,012,678	-0-	-0-	2,012,678
Excess of revenues over expenses	3,025,951	370,592	-0-	3,396,543
<b>Other changes in net assets</b>				
Net assets released from restrictions for property	5,025	-0-	-0-	5,025
Change in unrestricted net assets	3,030,976	370,592	-0-	3,401,568
<b>Temporarily restricted net assets</b>				
Contributions	231,849	-0-	-0-	231,849
Investment income	924	-0-	-0-	924
Net assets released from restrictions	(13,091)	-0-	-0-	(13,091)
Change in temporarily restricted net assets	219,682	-0-	-0-	219,682
<b>Transfers</b>	-0-	(190,601)	190,601	-0-
Change in net assets	3,250,658	179,991	190,601	3,621,250
<b>Net assets</b>				
Beginning of year	25,764,877	3,846,120	(3,503,699)	26,107,298
End of year	<u>\$29,015,535</u>	<u>\$ 4,026,111</u>	<u>\$ (3,313,098)</u>	<u>\$29,728,548</u>

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED SEPTEMBER 30, 2013

Program	Grant ID #	CFDA Number	Federal Expenditures
<b>Major program</b>			
United States Department of Agriculture Community Facilities Loans and Grants	N/A	10 766	\$ 6,224,598
<b>Non-major program</b>			
Department of Health and Human Services Pass through the Indiana State Department of Health Pass through District 3 Hospital Corporation National Bioterrorism Hospital Preparedness Program	BHP 988-2	93 074	11,924
Total federal expenditures			<u>\$ 6,236,522</u>

### Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Hospital under programs of the federal government for the year ended September 30, 2013. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The basic consolidated financial statement classifications may include other financial activity for reporting purposes. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic consolidated financial statements.



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REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT  
AUDITING STANDARDS*

Board of Directors  
Cameron Memorial Community Hospital, Inc  
Angola, Indiana

**REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Cameron Memorial Community Hospital, Inc (the Hospital) which comprise the consolidated balance sheet as of September 30, 2013, and the related consolidated statements of operations and changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 20, 2013

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit of the consolidated financial statements, we considered the Hospital's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control. Accordingly, we do not express an opinion on the effectiveness of Hospital's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Hospital's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Board of Directors  
Cameron Memorial Community Hospital Inc  
Angola, Indiana

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the Hospital's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **PURPOSE OF THIS REPORT**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Hospital's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Hospital's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Blue & Co., LLC**

Indianapolis, Indiana  
December 20, 2013



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## REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY OMB CIRCULAR A-133

Board of Directors  
Cameron Memorial Community Hospital, Inc  
Angola, Indiana

### REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited Cameron Memorial Community Hospital, Inc. (the Hospital) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Hospital's major federal programs for the year ended September 30, 2013. The Hospital's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### MANAGEMENT'S RESPONSIBILITY

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on compliance for each of the Hospital's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Hospital's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Hospital's compliance.

## **OPINION ON EACH MAJOR FEDERAL PROGRAM**

In our opinion, the Hospital complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013

## **REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

Management of the Hospital is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Hospital's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Hospital's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **PURPOSE OF THIS REPORT**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Blue & Co., LLC*

Indianapolis, Indiana  
December 20, 2013

# CAMERON MEMORIAL COMMUNITY HOSPITAL, INC.

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED SEPTEMBER 30, 2013

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### **Summary of Auditor's Results**

#### *Consolidated Financial Statements*

Type of auditor's report issued Unmodified

Internal control over financial reporting

Material weakness(es) identified? ☐ yes ☒ none reported

Significant deficiency(ies) identified that are not considered to be material weakness(es)? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ none reported

#### *Federal Awards*

Internal controls over major programs

Material weakness(es) identified? ☐ yes ☒ none reported

Significant deficiency(ies) identified that are not considered to be material weakness(es)? ☐ yes ☒ none noted

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? ☐ yes ☒ no

#### Identification of major program

CFDA Number  
10 766

Name of Federal Program or Cluster  
United States Department of Agriculture  
Community facilities loans and grants

Dollar threshold used to distinguish between type A and B programs \$300,000

Auditee qualified as low-risk auditee? ☐ yes ☒ no

### **Section II – Findings related to financial statements reported in accordance with Government Auditing Standards:**

No matters reported

### **Section III – Findings and questioned costs relating to Federal awards:**

No matters reported

### **Section IV – Summary schedule of prior audit findings:**

No matters reported