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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public By law, the IRS generally cannot redact the information on the form

▶ Information about Form 990 and its instructions is at www.IRS.gov/form990

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 01-01-2013 , 2013, and ending 12-31-2013

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

C Name of organization
CORNING HOSPITAL

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 1 Guthrie Drive Suite | Room/suite

City or town, state or province, country, and ZIP or foreign postal code
CORNING, NY 148302814

D Employer identification number
16-0393490

E Telephone number
(607) 937-7200

G Gross receipts $ 220,109,241

F Name and address of principal officer
Shirley Magana
1 Guthrie Drive
Corning, NY 14830

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

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

H(c) Group exemption number ▶

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

J Website: ▶ http //www corninghospital com

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1900

M State of legal domicile NY

Part I Summary

1 Briefly describe the organization's mission or most significant activities
SEE SCHEDULE O

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	24
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	18
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	748
6	Total number of volunteers (estimate if necessary)	6	88
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	363,842
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-82,708

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	2,587,547	1,936,627
9	Program service revenue (Part VIII, line 2g)	89,975,415	88,253,308
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	8,999,824	6,157,681
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-10,057	-13,082
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	101,552,729	96,334,534
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	31,961,627	31,902,597
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶94,996		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	42,955,605	40,577,256
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	74,917,232	72,479,853
19	Revenue less expenses Subtract line 18 from line 12	26,635,497	23,854,681

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	160,141,982	215,528,310
21	Total liabilities (Part X, line 26)	59,118,032	88,414,896
22	Net assets or fund balances Subtract line 21 from line 20	101,023,950	127,113,414

Part II Signature Block

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

Sign Here

Signature of officer — Date: 2014-11-17

FRANCIS M MACAFEE CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
MATTHEW D PETROSKI				P00853132

Firm's name ▶ PricewaterhouseCoopers LLP — Firm's EIN ▶

Firm's address ▶ 2001 MARKET ST SUITE 1700 PHILADELPHIA, PA 19103 — Phone no (607) 937-7200

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III . . . . . ☑

1 Briefly describe the organization's mission

HELP EACH PERSON ATTAIN OPTIMAL, LIFE-LONG HEALTH AND WELL-BEING BY PROVIDING INTEGRATED CLINICALLY-ADVANCED SERVICES THAT DIAGNOSE, PREVENT AND TREAT DISEASE WITHIN AN ENVIRONMENT OF COMPASSION, LEARNING AND DISCOVERY MAKING A MEANINGFUL DIFFERENCE IN LIVES OF THOSE WE SERVE THROUGH COMPASSION AND EXCELLENCE IN HEALTH CARE EVERY PERSON EVERY TIME

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 $ 50,974,824 including grants of $) (Revenue $ 88,253,308)

We are a 99-bed acute care facility with 24 hour emergency services and a full compliment of inpatient and out-patient treatment services Inpatient days of 15,320 and outpatient visits of 127,675 Run a Cancer Center therapeutic radiology extension clinic with medical oncology and cancer support services, and a Wellness & Fitness Center that is a medical fitness & rehabilitation extension clinic Other programs include cardiac rehab/wellness, diabetes classes, JointCamp, Smoke Stoppers, executive health, and screening programs No one denied emergency care based on ability to pay Have a charity care policy for medically necessary services

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ 50,974,824

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		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 other assistance to or for any foreign organization? *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 other assistance to or for foreign individuals? *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 or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
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**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V . . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	0		
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	748		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			No
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			No
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

Check if Schedule O contains a response or note to any line in this Part VI . . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a**	24		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b**	18		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	**2**			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	**3**			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	**4**			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	**5**			No
6	Did the organization have members or stockholders?	**6**		Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	**7a**		Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	**7b**		Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	**8a**		Yes	
b	Each committee with authority to act on behalf of the governing body?	**8b**		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	**9**			No

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

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

Section C. Disclosure

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

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

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

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

▶ FRANCIS M MACAFEE 1 GUTHRIE DRIVE
CORNING,NY 14830 (607)937-7917

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

Check if Schedule O contains a response or note to any line 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			

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								1,191,878	2,310,668	349,794

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 ▶ 12

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
QUEST DIAGNOSTICS, 2249 COLLECTION CENTER DRIVE CHICAGO IL 60693	Lab Pathology Servs	265,780
SIEMENS MEDICAL, 51 VALLEY STREAM PARKWAY MALVERN PA 19355	MAINT SVCE AGREEMT	146,357
EXECUTIVE HEALTH RESOURCE, PO Box 822688 PHILADELPHIA PA 19182	CONSULT-HEALTHRECORD	315,370
PARIS COMPANIES, 3850 REACH ROAD WILLIAMSPORT PA 17701	LAUNDRY SERVICES	216,162
HARMONY HEALTHCARE LLC, 600 S MAGNOLIA AVE SUITE 375 TAMPA FL 33606	Contract Coders	205,136

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 ▶ 8

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII . . . . . ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	189,001			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,747,626			
	g	Noncash contributions included in lines 1a-1f $		365,496			
	h	**Total.** Add lines 1a-1f			1,936,627		
Program Service Revenue			Business Code				
	2a	PATIENT SERVICE REVENUE	621990		84,904,247	84,904,247	
	b	OTHER OPERATING INCOME	900099		1,483,039	1,483,039	
	c	MEDICAL LAB SERVICES	621910		363,842		363,842
	d	MEANINGFUL USE REVENUE	621990		1,502,180	1,502,180	
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f			88,253,308		
	3	Investment income (including dividends, interest, and other similar amounts)			1,915,855		1,915,855
	4	Income from investment of tax-exempt bond proceeds			0		
	5	Royalties			0		
			(i) Real	(ii) Personal			
	6a	Gross rents	17,920				
	b	Less rental expenses	31,002				
	c	Rental income or (loss)	-13,082	0			
	d	Net rental income or (loss)			-13,082		-13,082
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	127,979,486	6,045			
	b	Less cost or other basis and sales expenses	123,739,626	4,079			
	c	Gain or (loss)	4,239,860	1,966			
	d	Net gain or (loss)			4,241,826		4,241,826
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events			0		
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities			0		
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory			0		
		Miscellaneous Revenue		Business Code			
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d			0		
	12	**Total revenue.** See Instructions			96,334,534	87,889,466	363,842	6,144,599

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 or note to any line 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	0			
2 Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	562,708		562,708	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	26,004,835	19,914,183	6,060,917	29,735
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,716,942	1,288,886	428,056	
9 Other employee benefits	1,611,101	1,210,681	400,420	
10 Payroll taxes	2,007,011	1,510,313	496,698	
11 Fees for services (non-employees)				
a Management	2,421,232		2,421,232	
b Legal	57,999		57,999	
c Accounting	709,205		709,205	
d Lobbying	0			
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	0			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	8,944,477	6,213,309	2,731,168	
12 Advertising and promotion	37,181	2,224	34,957	
13 Office expenses	2,307,791	1,511,414	731,771	64,606
14 Information technology	2,471,639	817,249	1,654,390	
15 Royalties . .	0			
16 Occupancy	1,719,324	478,375	1,240,949	
17 Travel	116,729	30,821	85,751	157
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	50,801	7,338	43,463	
20 Interest	378,572		378,572	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	4,910,970	3,077,960	1,833,010	
23 Insurance	918,926		918,926	
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 MEDICAL SUPPLY EXPENSE	13,999,890	14,165,713	-165,823	
b CAFETERIA AND CATERING	64,312	25,183	38,631	498
c UBI AND SALES TAX	-54,330	-56,090	1,760	
d ACCRETION	322,303		322,303	
e All other expenses	1,200,235	777,265	422,970	
25 **Total functional expenses.** Add lines 1 through 24e	72,479,853	50,974,824	21,410,033	94,996
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X . . . . . ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		2,216,602	1	6,447,259
	2	Savings and temporary cash investments		0	2	0
	3	Pledges and grants receivable, net		1,871,414	3	1,254,172
	4	Accounts receivable, net		9,485,659	4	8,983,158
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		2,901,645	7	0
	8	Inventories for sale or use		1,488,946	8	1,530,567
	9	Prepaid expenses and deferred charges		3,843,002	9	4,905,365
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 146,352,265			
	b	Less accumulated depreciation	10b 47,846,360	34,475,492	10c	98,505,905
	11	Investments—publicly traded securities		98,409,063	11	91,481,353
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		320,000	14	188,000
	15	Other assets See Part IV, line 11		5,130,159	15	2,232,531
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		160,141,982	16	215,528,310
Liabilities	17	Accounts payable and accrued expenses		11,638,404	17	22,590,501
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		47,479,628	25	65,824,395
	26	**Total liabilities.** Add lines 17 through 25		59,118,032	26	88,414,896
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		98,036,032	27	124,103,145
	28	Temporarily restricted net assets		2,159,494	28	2,181,844
	29	Permanently restricted net assets		828,424	29	828,425
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		101,023,950	33	127,113,414
	34	Total liabilities and net assets/fund balances		160,141,982	34	215,528,310

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . . ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	96,334,534
2	Total expenses (must equal Part IX, column (A), line 25)	2	72,479,853
3	Revenue less expenses Subtract line 2 from line 1	3	23,854,681
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	101,023,950
5	Net unrealized gains (losses) on investments	5	2,234,783
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	
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	127,113,414

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . . ☑

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

Additional Data

Software ID:
Software Version:
EIN: 16-0393490
Name: CORNING HOSPITAL

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
DAVID E IOCCO MEMBER - BOD	1 0 0 0	X								
MICHAEL W DONNELLY MEMBER - BOD	1 0 0 0	X								
ARTHUR D FIELD MEMBER - BOD	1 0 0 0	X								
JUDITH ROWE MEMBER - BOD	1 0 0 0	X								
JACK E BENJAMIN 2ND VICE CHAIR - BOD	1 0 0 0	X								
DANIEL BOWER MEMBER	1 0 0 0	X								
CHARLES A CORRAO MEMBER - BOD	1 0 0 0	X								
LOUIS R DUBOIS MD MEMBER-BOD-MED STAFF PRES	1 0 40 0	X							399,631	46,080
ALAN D LEWIS SECRETARY - BOD	1 0 0 0	X								
JOSEPH SCOPELLITI MD MEMBER - BOD	1 0 40 0	X							722,533	41,496
G THOMAS TRANTER JR 1st VICE CHAIR-BOD	1 0 0 0	X								
JOHN VAN ZANTEN III MEMBER - BOD	1 0 0 0	X								
MARCIA WEBER MEMBER - BOD	1 0 0 0	X								
RUSSELL C WOGLOM MD MEMBER - BOD	1 0 40 0	X							316,993	46,080
CHRISTOPHER J FORTIER MEMBER - BOD	1 0 0 0	X								
PHILIP J ROCHE ESQ CHAIRMAN - BOD	1 0 0 0	X								
MARY BETH GRIMALDI-MAXA MEMBER - BOD	1 0 0 0	X								
SHIRLEY MAGANA PRESIDENT/COO	40 0 0 0	X		X				242,297		13,446
FRAN OLMSTEAD MEMBER-BOD	1 0 0 0	X								
DANIEL ROURKE MEMBER-BOD	1 0 0 0	X								
CATHY WEIL MEMBER-BOD	1 0 0 0	X								
VENOGOPAL THIRUMURI MD MEMBER-BOD-Med Staff VP	1 0 40 0	X							390,620	46,080
HAL SUSSMAN MD Member-BOD-Med Staff Treas	1 0 40 0	X							480,891	46,080
JEFFREY P KENEFICK TREASURER - BOD	1 0 0 0	X								
FRANCIS M MACAFEE CFO/VP FINANCE	40 0 0 0			X				176,800		13,480

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
DEBRA RAUPERS CHIEF NURSING OFFICER	40 0 0 0				X			125,726		19,243
COLIN BAILEY RADIATION PHYSICIST	40 0 0 0					X		176,850		11,048
SCOTT STEVENS Pharmacist	40 0 0 0					X		133,891		20,510
EVAN DAVIS Pharmacist	40 0 0 0					X		119,979		19,449
JENNIFER YARTYM SR DIRECTOR, REHAB SERVICES	40 0 0 0					X		108,247		15,534
LILLIE ROLLINS DIRECTOR	40 0 0 0					X		108,088		11,268

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**
▶ **Information about Schedule A (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CORNING HOSPITAL

Employer identification number
16-0393490

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 2013 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2012 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2013.** 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—2012.** 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—2013.** 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—2012.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 2013 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2012 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2013** (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from **2012** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2013.** 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—2012.** 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.** 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		
Return Reference	Explanation	

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SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
▶ See separate instructions. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
CORNING HOSPITAL	16-0393490

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period — Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?	Yes		
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
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?	Yes		
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		16,786
j	Total Add lines 1c through 1i			16,786
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

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

Return Reference	Explanation
PART II-B LINES 1A, B & G	LOCAL MEETINGS WITH VARIOUS LEGISLATORS
PART II-B LINE 1i	American Hospital Association, Hospital Association of New York State, and Rochester Regional Healthcare Associates memberships

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CORNING HOSPITAL

Employer identification number
16-0393490

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

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

		Amount
c	Beginning balance	1c
d	Additions during the year	1d
e	Distributions during the year	1e
f	Ending balance	1f

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

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

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

		(a) Current year	(b) Prior year	b (c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	2,987,918	1,219,754	1,220,654	1,100,445	1,511,610
b	Contributions	236,423	1,912,666	476,603	205,846	405,722
c	Net investment earnings, gains, and losses	2,383	18,673	6,849	47,423	100,939
d	Grants or scholarships					
e	Other expenditures for facilities and programs	216,455	163,175	484,352	133,060	917,826
f	Administrative expenses					
g	End of year balance	3,010,269	2,987,918	1,219,754	1,220,654	1,100,445

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

- a Board designated or quasi-endowment ▶ 61 000 %
- b Permanent endowment ▶ 28 000 %
- c Temporarily restricted endowment ▶ 11 000 %

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

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

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

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

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. 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		5,173,762		4,375,178
b Buildings		32,005,089	24,072,369	7,932,720
c Leasehold improvements		583,579	543,907	39,672
d Equipment		28,545,494	23,607,577	4,937,917
e Other		79,268,004		79,268,004
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				96,553,491

Part VII **Investments—Other Securities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

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

Part VIII **Investments—Program Related.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

Part IX **Other Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X **Other Liabilities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	0
DUE TO THIRD PARTY PAYORS	10,563,099
WORKERS COMP AND LIABILITY	13,934,641
ASSET RETIREMENT OBLIGATION	7,953,925
DUE TO RELATED PARTIES	513,139
DEFERRED INCOME	28,117
LOAN PAY GH - TAX EXEMPT BONDS	32,831,474
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	65,824,395

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

Part XI **Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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**

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

Return Reference	Explanation

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule H (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CORNING HOSPITAL

Employer identification number
16-0393490

Part I Financial Assistance and Certain Other Community Benefits at Cost

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			556,007		556,007	0 770 %
b Medicaid (from Worksheet 3, column a)			8,055,033	7,065,498	989,535	1 360 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			8,611,040	7,065,498	1,545,542	2 130 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			37,660		37,660	0 050 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j **Total.** Other Benefits			37,660		37,660	0 050 %
k **Total.** Add lines 7d and 7j			8,648,700	7,065,498	1,583,202	2 180 %

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

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

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

			Yes	No
1	Did the organization report bad debt expense in accordance with 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 2,642,397			
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit 3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements			

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	28,250,714
6	Enter Medicare allowable costs of care relating to payments on line 5	6	32,454,231
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-4,203,517
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year? 1

	Name, address, primary website address, and state license number	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
	See Additional Data Table										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or facility reporting group CORNING HOSPITAL

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 1

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	**1**	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☑ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 2013			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) www.corninghospital.org			
b	☐ Other website (list url)			
c	☑ Available upon request from the hospital facility			
d	☐ 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 as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☑ Participation in the execution of a community-wide plan			
e	☑ Inclusion of a community benefit section in operational plans			
f	☑ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☑ Prioritization of health needs in its community			
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)*

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

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 individuals regarding the individuals' bills
- **d** ☐ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- **e** ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
St James Mercy Hospital	St James Mercy Hospial was a key partner in The Steuben Health Priorities Team that is committed to improving the health of Steuben County residents The members of the team have agreed to meet on a regular basis to endsure that the inititiaves outlined in the Community Health Improvement and Communty Service Plans are implemented, montiored and evaulated
Ira Davenport Memorial Hospital	Ira Davenport Memorial Hospial was a key partner in The Steuben Health Priorities Team that is committed to improving the health of Steuben County residents The members of the team have agreed to meet on a regular basis to endsure that the inititiaves outlined in the Community Health Improvement and Communty Service Plans are implemented, montiored and evaulated
ArnotHealth	ArnotHealth was a key partner in The Steuben Health Priorities Team that is committed to improving the health of Steuben County residents The members of the team have agreed to meet on a regular basis to endsure that the inititiaves outlined in the Community Health Improvement and Communty Service Plans are implemented, montiored and evaulated and evaulated

Part V Facility Information *(continued)*

Section D. 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? 1

	Name and address	Type of Facility (describe)
1	Healthworks 9768 Liberty Drive Painted Post, NY 14870	Wellness and Fitness Center, a portion is dedicated to not for profit fitness center
2		
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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

Form and Line Reference	Explanation
PART I, LINE 6A	CORNING HOSPITAL FILES A COMMUNITY SERVICE PLAN IN RESPONSE TO NEW YORK STATE DEPARTMENT OF HEALTH REQUIREMENTS PART I, LINE 7 Information reported on Schedule H Part I, Line 7 was derived utilizing the ratio of cost to charges calculated using Worksheet 2 except Line 7b which was based upon an internal cost accounting system that addresses all patient segments
PART III, LINE 4	FOOTNOTE FROM AUDITED FINANCIALS Charity Care and Community Service The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue The direct and indirect costs associated with these services for charity care provided by the Hospital approximate $301,000 and $294,000 in 2013 and 2012, respectively The Hospital estimated these costs by application of the standard cost-to-charge ratio As part of its charitable mission, the Hospital provides care through its emergency department It ensures that an emergency admission or treatment is not delayed or denied pending determination of coverage or a requirement for prepayment or deposit As a result of this policy, the Hospital had approximately $1,656,000 and $1,365,000 in bad debts in 2013 and 2012, respectively Revenues generated from patients who participate in the Medicaid program are subject to substantial discounts that result in reimbursement for services rendered below the cost of providing such services In order for patients to meet the guidelines for the Medicaid program, various income-based criteria must be met that validate the patient's inability to pay for services and ineligibility under other programs The estimated loss incurred from providing services to Medicaid patients amounted to approximately $1,106,000 and $1,164,000 in 2013 and 2012, respectively The provision for bad debts is net of pool receipts of approximately $835,000 and $1,196,300 in 2013 and 2012,respectively PART III, LINE 8 Internal cost accounting system utilized to identify Medicare revenue and Medicare cost PART III, LINE 9B Once a patient is approved for Charity Care or an Installment plan, thier account is transferred to either the budget or charity care financial class Accounts in these financial classes are not placed with collection PART V, LINE 7 DUE TO RESOURCE LIMITATIONS, THE FOLLOWING IDENTIFIED NEEDS WERE NOT ABLE TO BE ADDRESSED IN THE IMPLEMENTATION PLANS * CANCER MORTALITY * HEART DISEASE MORTALITY AND PREVALENCE PART V, LINE 20D All Patients are billed based on the charges established in the Hospital's chargemaster Discounts are given in accordance with the financial assistance policy for those who are uninsured A prompt pay discount is given to those who do not qualify for financial assistance Additional discounts are considered on a case by case basis depending on the patient's situation and the total amount due to the hospital

Form and Line Reference	Explanation
PART VI, LINE 2	Needs Assessment Description of Service Area The Hospital's primary service area encompasses all of Steuben County, NY, with a number of patients coming from Chemung and Schuyler counties, NY as well as Tioga County, Pa In addition to Corning and Painted Post, NY, patients utilizing the Hospital also come from the surrounding communities of Addison, Bath, Big Flats, Beaver Dams, Campbell, and Savona, NY Corning Hospital and Steuben County Public Health embarked on an 18 month long process to collect data, solicit opinions, facilitate a process and guide a discussion to determine not only what the most pressing problems facing our residents are, but also what we can effectively and efficiently address The MAPP (Mobilizing for Action through Planning and Partnership) process was used to accomplish this Corning Hospital and Steuben County Public Health Dept were charged with working with other key local partners to select two key health priorities and one disparity to address in the community In the end, Corning Hospital, Steuben County Public Health and the partner agencies decided to tackle two tough areas under the New York State Dept of Health priority of the prevention of chronic disease 1 Reduce obesity in children and adults 2 Reduce heart disease and hypertension The disparity the partners chose to address was to Promote tobacco cessation, especially among low SES populations and those with mental health illness Status of Priorities The Hospital's Fit and Strong Together (FAST) committee, formed to address prevention priorities, has been successful at initiating and/or implementing a number of programs relating to chronic disease that are aimed at impacting the resulting health-related issues documented as arising from childhood obesity and poor nutrition and fitness They have made numerous presentations to insurers, providers, corporations, civic groups and others to raise awareness of their efforts and to engage the entire community FAST has also successfully obtained funding for training, supplies, equipment and materials related to the programs being implemented The goal of this more focused approach is to have a definitive impact on access to care for obese children (and their families) in need of lifestyle management that will improve their health Aligning this priority with the Hospital's work to address childhood obesity utilizes the expertise and synergy of FAST to address an unmet community health need Plan of Action Update PE4Life program PE4Life is geared at reducing childhood obesity in school age children Corning Hospital and the Fit and Strong Together Community Coalition have worked with the Corning-Painted Post School District (C-PP) to successfully implement the PE4Life (fitness for life) program in the second grades for three of its six elementary schools during the last school year Additionally, students in the PE4Life program last year stayed with the program during the next school year as third graders One of the goals of implementing PE4Life was to provide PE (Physical Education) five days/week This was quite challenging for the C-PP District due to lack of appropriate space and curriculum mandates in the elementary schools This goal was met through the commitment and collaboration of District PE educators, administrators, and classroom teachers Funding acquired through FAST paid for PE4Life training for PE teachers and other C-PP staff as well as pull-up bars, age-appropriate heart-rate monitors and other equipment for the children in the program More funding is being secured to train additional C-PP personnel and purchase more equipment to allow for further expansion of the program PE4Life is using BMI as the metric - and any change in BMI - as the performance measure for this program BMI data was obtained for students participating in the program in the Fall of 2012 showing little progress, therefore the data is going to be measured in a different way in the future since an accurate result could not be obtained from the BMI data Cool 2B Fit This program is funded by Excellus Blue Cross/Blue Shield and was introduced in C-PP elementary schools two years ago The program includes second, third and fourth grade students and provides them with tools (correct portion-sized plate, wrist-watch heart rate monitor, backpack, etc) and information to take home and share with their families The program engages students in interactive activities, such as food tastings, making healthy snacks, grocery shopping and reading food labels The goal is to help students, and their families, make healthy food choices at school and at home CPP tracks the numbers of students involved in this program, and uses surveys to assess student reactions and perceptions of the program 5-2-1-0 This program offers children a simple way to remember the healthy choices they should strive to make each day Specifically, the numbers represent the following daily health guidelines 5 servings of fruits/vegetables, no more than 2 hours of screen time, 1 hour of vigorous activity/play, and no sugary drinks Informational posters and flyers about 5-2-1-0 have been distributed throughout the C-PP District, the Corning Community YMCA, Southeast Steuben County Library, Corning City Parks and Recreation program and other organizations throughout the region May 5-12, 2012, a 5-2-1-0 Week was declared in Corning, NY Over 20,000 informational flyers were distributed at Wegman's grocery store A declaration was read in the town square in conjunction with Corning Clean Up day and an hour long Zumba class was held in the square for the community Childhood Obesity Referral Program The Fit and Strong Together community coalition is attempting to acquire funding to establish a program to which pediatricians and other providers can refer obese children for guidance with lifestyle issues In terms of program design, a number of avenues are being evaluated, including duplication of a similar program (Fit Families in The Southern Tier, serving Chemung Co, NY) Healthy Kids Day Healthy Kids Day for the greater Corning area, held May 12, 2012 This event was well attended with hundreds of children and their families availing themselves of information on a host of health topics as well as watching demonstrations and engaging in activities This event was held again in April 2013 at the Corning Community YMCA Non-Prevention Priorities Considered in the Assessment Process The Hospital is actively engaged with the community on many levels and hosts or participates in a variety of activities related to community health and well-being, including health education and health screenings
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	Patients are aware of charity care assistance through signage and handout materials samples of the content is as follows Signage content Patient Notice of Financial Assistance for the Uninsured and/or Underinsured Guthrie Health is proud of its mission to provide quality care to all who need it If you do not have health insurance or worry that you may not be able to pay for part or all of your care, we may be able to help Guthrie Health provides financial aid to patients based on their income, assets, and financial needs In addition, we may be able to help you get free or low-cost health insurance or work with you to arrange a manageable payment plan Federal and state laws require all hospitals / clinics to seek payment for care provided This means we could ultimately turn unpaid bills over to a collections agency, which could affect your credit status Therefore, it is important that you let us know if there may be a problem paying your bill For more information, please contact our patient financial services office at 570-887-2051 We will treat your questions and any information you provide us with confidentiality and courtesy Guthrie Health Financial Assistance Summary Guthrie Health recognizes that there are times when patients in need of care will have difficulty paying for the services provided Guthrie Health Charity Care Program provides discounts to qualifying individuals based on your income In addition, we can help you apply for free or low-cost insurance if you qualify Just visit or contact our Corning Hospital Financial Counselor at (607) 937-7518 for free, confidential assistance You may also visit our website at www guthrie org to download the Guthrie Health financial assistance application and instructions Who qualifies for a discount? Financial Assistance is available for those patients with limited incomes, and who do not have health insurance and are worried about paying for part or all of their care Everyone in New York State who needs emergency services can receive care and get a discount if they meet the income limits Everyone who lives in Bradford, Sullivan, and Tioga counties in Pennsylvania, and Allegany, Chemung, Livingston, Ontario, Schuyler, Steuben, Tioga, Tompkins, and Yates counties in New York may receive a discount, by completing an application for medically necessary services at Corning Hospital if they meet the income limits You cannot be denied medically necessary care because you need financial assistance What are the income limits? The amount of the discount varies based on your income and the size of your family If you have no health insurance, these are the income limits Fam size Ann Fam Income* Mthly Fam Income Wkly Fam Income 1 Up to $22,980 Up to $1,915 Up to $442 2 Up to $31,020 Up to $2,585 Up to $597 3 Up to $39,060 Up to $3,255 Up to $751 4 Up to $47,100 Up to $3,925 Up to $906 5 Up to $55,140 Up to $4,595 Up to $1,060 6 Up to $61,940 Up to $5,162 Up to $1,191 *Based on 2013 Federal Poverty Guidelines Can someone explain the discount? Can someone help me apply? Yes, free, confidential help is available Our Corning Hospital Financial Counselor is available at (607) 937-7518 or our Patient Financial Services office at (570) 887-2051 to assist you and/or answer any questions you may have The Financial Counselor can tell you if you qualify for free or low-cost insurance, such as Medicaid, Child Health Plus and Family Health Plus If the Financial Counselor finds that you don't qualify for low-cost insurance, they will help you apply for a discount The Counselor will help you fill out all the forms and tell you what documents you need to bring What do I need to apply for a discount? The following documents should be attached to the application -Bank & Investment Account Statements -Pay Stubs -Receipts as referenced in the Financial Assistance application -Latest Federal Income Tax Return -Medicaid Denial Letter (if applicable) -Health Savings Account (HSS) Statement showing current balance, if Applicable What services are covered? All medically necessary services provided by Corning Hospital are covered by the discount This includes outpatient services, emergency care, and inpatient admissions Services provided by non-Guthrie providers are not covered You should talk to your non-Guthrie providers to see if they offer a discount or payment plan How much do I have to pay? Our Patient Financial Services Department will give you the details about your specific discount(s) once your application is processed How do I get the discount? You have to fill out the application form As soon as we have proof of your income, we can process your application for a discount according to your income level You can apply for a discount before you have an appointment, when you come to the hospital to get care, or when the bill comes in the mail Send the completed form to Guthrie Clinic Patient Financial Service Department One Guthrie Square Sayre, PA 18840 Attn Patient Representative-Charity Care Office or deliver to the Corning Hospital Financial Counselor's office located on the 1st Level of Corning Hospital You have up to 180 days after receiving services to submit the application How will I know if I was approved for the discount? The Patient Financial Services Department will send you a letter generally within 30 days after completion and submission of documentation, telling you if you have been approved and the level of discount received What if I receive a bill while I'm waiting to hear if I can get a discount? You cannot be required to pay a hospital bill while your application for a discount is being considered If your application is turned down, the hospital must tell you why in writing and must provide you with a way to appeal this decision to a higher level within the hospital What if I have a problem I cannot resolve with the hospital? You may call the New York State Department of Health complaint hotline at 1-800-804-5447

Form and Line Reference	Explanation
Community Information	A Hospital Service Area The Hospital's service area remains unchanged It considers its service area to encompass communities within several counties, based on the utilization of its three facilities, as described below Its primary facility is a 99-bed acute care hospital that provides 24-hour emergency services and a complement of inpatient and outpatient services, located at 176 Denison Parkway East, Corning, N Y The Hospital also provides a range of treatment, diagnostic and preventive health services and programs The Guthrie Cancer Center at Corning Hospital, a separate facility located at 114 Columbia Street, Corning, N Y , provides therapeutic radiology, medical oncology and cancer support services, including access to clinical trials The Hospital also operates HealthWorks, a 43,000-square-foot wellness and fitness center located at 9768 Liberty Drive, Painted Post, N Y HealthWorks' services are based on a medical model In addition to traditional fitness center services, it also offers a range of physical rehabilitation services The Hospital employs 748 individuals and has a medical staff of 196 physicians The Hospital also uses physicians and mid-level providers as hospitalists, who provide continuity of care for inpatient services B Description of Service Area The Hospital's primary service area encompasses all of Steuben County, NY, with a number of patients coming from Chemung and Schuyler counties, NY as well as Tioga County, Pa In addition to Corning and Painted Post, NY, patients utilizing the Hospital also come from the surrounding communities of Addison, Bath, Big Flats, Beaver Dams, Campbell, and Savona, NY
PROMOTION OF COMMUNITY HEALTH	The following overview provides examples of the Hospital's successes in providing access to high quality health care as well as other service and activity beyond the provision of direct care Access to High Quality Care Corning Hospital was ranked as the tenth best in New York State for overall hospital care by the Delta Group as part of its 2013 Quality Awards from Care Chex, a division of the Delta Group, Inc The rankings below include types of care/specialties for which Corning Hospital ranked in the top 10 percent in the state, and in the country Medical Excellence Awards - Top 10 percent in New York Cancer Care and Gall Bladder Removal Top 10 percent in Nation Gall Bladder Removal The Hospital has received Gold Plus and Target Stroke designations by the American Heart Association for stroke care The Hospital continues to use the electronic health record (Epic) Epic allows the hospital to provide safe and effective patient care and improve communication among providers, using a secure system to put important health information about patients at providers' fingertips The Hospital continues to offer cancer screenings in collaboration with the Cancer Service Partnership of Steuben County, providing low-cost mammograms to women who meet the program's criteria Community Outreach Hospital Board members and members of the Administrative team have held a number of community and neighborhood-based informational sessions to provide more in-depth information about the new Corning Hospital and to answer questions and address concerns The response to these open meetings has been very positive The Hospital received the Bronze Award in recognition of its participation in the local United Way fund drive The Hospital is a partner in the Red Cross program Unite for Life Plus At the time of this report, the Hospital and Centerway held 6 blood drives in 2013 and a total of 125 units were collected, with 6 new donors identified The Hospital participated as the primary sponsor in the local American Cancer Society's Relay for Life event It raised money, formed teams and hosted the pre-event survivor dinner The Hospital participated in an awareness and fund raising activity for Catholic Charities of Steuben County The "Walk a Mile in Their Shoes" event, held in three Steuben County communities, raised awareness about poverty in Steuben County The Hospital's Auxiliary holds a number of fund raising events in the community throughout the year to support the Hospital's need for new equipment Proceeds from the Auxiliary's primary event have amounted to more than $1 million since its inception in 1997 Fitness and Nutrition The Hospital sponsored the annual Pop Can Fun run, held for youth ages 2 to 10, with approximately 300 children participating in age-appropriate races HealthWorks participated in Healthy Kids Day, a program developed by the Corning Community YMCA, which attracted hundreds of children and their families HealthWorks staff developed a number of interactive activities for children to help them be better informed about the health benefits of exercise Wellness and Prevention Education HealthWorks hosted several Community Wellness Days, open to the public, offering free blood pressure screenings, body fat analysis, and informational materials regarding disease prevention The Hospital provided 737 seasonal flu shots to staff, volunteers and community members HealthWorks continues to provide a monthly Diabetes Support Group open to the public in which guest speakers are available each month to discuss topics of interest for individuals with diabetes to help them better understand and manage their health needs The Hospital now has two RNs trained as certified car seat safety instructors, which enables the Hospital to participate in health fairs/community education days that demonstrate the correct age/weight appropriate for children using car seats These staff members will be assisting the Steuben County Public Health educators in bringing this important information to parents throughout Steuben County FORM 990, PART VI, LINE 6 CORNING HOSPITAL IS PART OF THE GUTHRIE CLINIC SEE SCHEDULE O, FORM 990, PART III, LINE 1 STATE OF PROGRAM SERVICE ACCOMPLISHMENTS FORM 990, PART VI, LINE 7 The 2013-2015 Community Service Plan will be made available to the public through a downloadable pdf file on the Hospital's website www guthrie org/location/corning-hospital When completed and issued to the NYS DOH, a news release was issued advising the public that the report has been submitted The Implementation Strategy detail can be found at www guthrie org/location/corning-hospital

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**
▶ **Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CORNING HOSPITAL

Employer identification number
16-0393490

Part I Questions Regarding Compensation

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

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1)FRANCIS M MACAFEE CFO/VP FINANCE	(i)	156,372	20,428	0	400	13,080	190,280	
	(ii)							
(2)LOUIS R DUBOIS MD MEMBER-BOD-MED STAFF PRES	(i)	399,631	0	0	33,000	13,080	445,711	
	(ii)							
(3)JOSEPH SCOPELLITI MD MEMBER - BOD	(i)	614,368	105,373	2,792	33,000	8,496	764,029	
	(ii)							
(4)RUSSELL C WOGLOM MD MEMBER - BOD	(i)	302,602	14,391	0	33,000	13,080	363,073	
	(ii)							
(5)SHIRLEY MAGANA PRESIDENT/COO	(i)	223,255	19,042	0	11,323	2,123	255,743	
	(ii)							
(6)COLIN BAILEY RADIATION PHYSICIST	(i)	176,850	0	0	8,925	2,123	187,898	
	(ii)							
(7)SCOTT STEVENS Pharmacist	(i)	133,891	0	0	6,408	14,102	154,401	
	(ii)							
(8)VENOGOPAL THIRUMURI MD MEMBER-BOD-Med Staff VP	(i)	389,289	0	1,331	33,000	13,080	436,700	
	(ii)							
(9)HAL SUSSMAN MD Member-BOD-Med Staff Treas	(i)	480,891	0	0	33,000	13,080	526,971	
	(ii)							

Part III Supplemental Information

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

Return Reference	Explanation
PART I LINE 1A	Tax indemnification and gross-up payments are periodically provided to employees All payments are made pursuant to written organizational policies
PART I LINE 3	Executive compensation is established within a written employment agreement Compensation is determined based on market studies, presented to the Guthrie Health Compensation Committee and subsequently approved by the Guthrie Health Board of Directors

Additional Data

Software ID:
Software Version:
EIN: 16-0393490
Name: CORNING HOSPITAL

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
FRANCIS M MACAFEE CFO/VP FINANCE	(I) (II)	156,372	20,428	0	400	13,080	190,280	
LOUIS R DUBOIS MD MEMBER-BOD-MED STAFF PRES	(I) (II)	399,631	0	0	33,000	13,080	445,711	
JOSEPH SCOPELLITI MD MEMBER - BOD	(I) (II)	614,368	105,373	2,792	33,000	8,496	764,029	
RUSSELL C WOGLOM MD MEMBER - BOD	(I) (II)	302,602	14,391	0	33,000	13,080	363,073	
SHIRLEY MAGANA PRESIDENT/COO	(I) (II)	223,255	19,042	0	11,323	2,123	255,743	
COLIN BAILEY RADIATION PHYSICIST	(I) (II)	176,850	0	0	8,925	2,123	187,898	
SCOTT STEVENS Pharmacist	(I) (II)	133,891	0	0	6,408	14,102	154,401	
VENOGOPAL THIRUMURI MD MEMBER-BOD-Med Staff VP	(I) (II)	389,289	0	1,331	33,000	13,080	436,700	
HAL SUSSMAN MD Member-BOD-Med Staff Treas	(I) (II)	480,891	0	0	33,000	13,080	526,971	

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.
▶Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CORNING HOSPITAL

Employer identification number
16-0393490

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods	X		40,000	
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X		318,683	
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (_____)				
26 Other ▶ (_____)				
27 Other ▶ (_____)				
28 Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . **29** 0

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

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

Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CORNING HOSPITAL

Employer identification number
16-0393490

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, Part I, Line 1	
FORM 990, PART IV, LINE 12	The organization's financial statements were audited on a consolidated basis with Guthrie Health and Affiliates FORM 990, PART VI, LINE 6 Guthrie Healthcare System is the sole member of Corning Hospital
FORM 990, PART VI, LINE 7A	As the sole member of Corning Hospital, Guthrie Healthcare System appoints the organization's Board of Directors
FORM 990, PART VI, LINE 7B	As the sole member of Corning Hospital, Guthrie Healthcare System has approval rights of certain board decisions
FORM 990, PART VI, LINES 11A & 11B	The Form 990 of the organization is presented to the Board of Directors for review and is also reviewed by the organization's finance personnel and an independent accounting firm prior to filing with the IRS
FORM 990, PART VI, LINE 12C	The Conflict of Interest Disclosure Policy sets forth that all persons, including employees, agents and Board/Committee members, particularly those involved in decision-making for Guthrie Health (GH) act in an appropriate manner and will not participate in any actions that might create a personal or professional conflict of interest and/or not be in the best interest of GH All members of any GH Board/Committee and GH senior management must make full disclosure of any possible conflict of interest through the use of the Conflict of Interest Disclosure Form and refrain from voting or participating in decision-making involving any possible conflict of interest The form is distributed to all Board/Committee members, and employees (when applicable) annually by the GH Administration office GH Board/Committee members or employees must complete the Conflict of Interest Disclosure Form This form should be completed when there is any situation where a possible conflict of interest exists, and/or on an annual basis and/or at the time of appointment or election of new Board/Committee members If the form is not completed within 13 months of the last signing, the GH Board Chairman will be advised Any individual having a conflict of interest or possible conflict of interest on any matter should excuse themselves from the portion of the meeting or meetings where the matter is discussed and not vote or use his or her personal influence on the matter The minutes of the meeting or meetings should reflect the disclosure, the abstention from voting, and any action taken to determine whether a conflict of interest existed
FORM 990, PART VI, LINE 15A	Executive compensation is generally established within a written employment agreement Compensation is determined based on market studies, presented to the Executive Compensation Committee, and subsequently approved by the Board of Directors
FORM 990, PART VI, LINE 15B	Executive compensation is generally established within a written employment agreement Compensation is determined based on market studies, presented to the indpendent Executive Compensation Committee and subsequently approved by the Board of Directors
FORM 990, PART VI, LINE 18	The organization's Form 1023, 990 and 990-T are available for public inspection upon request
FORM 990, PART VI, LINE 19	The organization does not make its governing documents, conflict of interest policy or financial statements available to the public
FORM 990, PART XII, LINE 2B	The organization's financial statements were audited on a consolidated basis with Guthrie Health and Affiliates

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
CORNING HOSPITAL

Employer identification number
16-0393490

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on 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" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
See Additional Data Table							

Part III **Identification of Related Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on 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) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) TWIN TIER MANAGEMENT CORP INC PO BOX 310 SAYRE, PA 18840 23-2209439	MANAGEMENT CO	PA	NA	C CORP				Yes	

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) GUTHRIE CORNING DEVELOPMENT COMPANY	A	7,185	FMV
(2) GUTHRIE CORNING DEVELOPMENT COMPANY	K	475,705	FMV
(3) GUTHRIE CLINIC	M	3,195,359	FMV
(4) GUTHRIE CLINIC	L	217,863	FMV
(5) GUTHRIE HEALTHCARE SYSTEM	M	5,256,764	FMV
(6) ROBERT PACKER HOSPITAL	M	31,635	FMV

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

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

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

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 16-0393490
Name: CORNING HOSPITAL

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(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) Guthrie Healthcare System One Guthrie Square Sayre, PA 18840 23-2200910	SUPPORTING	PA	501 (C)(3)	11C TypeIII	TGC		No
(1) The Guthrie Clinic One Guthrie Square Sayre, PA 18840 23-3055017	Supporting	PA	501 (C)(3)	11C TypeIII	NA		No
(2) Sayre House of Hope One Guthrie Square Sayre, PA 18840 20-3979472	Health Care	PA	501 (C)(3)	7	GHS	Yes	
(3) Robert Packer Hospital One Guthrie Square Sayre, PA 18840 24-0795463	Health Care	PA	501 (C)(3)	3	GHS	Yes	
(4) Donald Guthrie Foundation for Education 200 south wilbur ave sayre, PA 18840 24-6022957	Med Research	PA	501 (C)(3)	4	GHS	Yes	
(5) Robert Packer Hospital School of Nursing 200 South Wilbur Ave Sayre, PA 18840 23-6408773	Education	PA	501 (C)(3)	2	GHS	Yes	
(6) Troy Community Hospital Inc 100 John Street Troy, PA 16947 24-0800337	Health Care	PA	501 (C)(3)	3	GHS	Yes	
(7) TIOGA HEALTHCARE FACILITY ONE GUTHRIE SQUARE SAYRE, PA 18840 15-0532257	HOUSING	NY	501 (C)(3)	3	GHS	Yes	
(8) SAYRE HOUSE INC 1001 NORTH ELMER AVE SAYRE, PA 18840 23-1643404	Nursing Fac	PA	501 (C)(3)	9	GHS	Yes	
(9) GUTHRIE HOME CARE 421 Tomahawk Road Towanda, PA 18848 23-2394345	HOME HEALTH	PA	501 (C)(3)	9	GHS	Yes	
(10) GUTHRIE CORNING DEVELOPMENT COMPANY 176 DENISON pKWY E CORNING, NY 14830 16-1594628	SUPPORTING	NY	501 (C)(3)	11B TYPE II	GHS	Yes	
(11) GUTHRIE SAME DAY SURGERY CENTER INC ONE GUTHRIE SQUARE SAYRE, PA 18840 02-0551081	AMBULATORY	NY	501 (C)(3)	9	GHS	Yes	
(12) GUTHRIE RISK RETENTION GROUP 151 MEETING STREET CHARLESTON, SC 29401 20-1090801	SUPPORTING	SC	501 (C)(3)	11A TYPE I	TGC	Yes	
(13) TIOGA NURSING FACILITY ONE GUTHRIE SQUARE SAYRE, PA 18840 22-2979677	NURSING FAC	NY	501 (C)(3)	3	GHS	Yes	
(14) GUTHRIE MEDICAL GROUP PC ONE GUTHRIE SQUARE SAYRE, PA 18840 25-0815795	HEALTH CARE	PA	501 (C)(3)	3	TGC	Yes	
(15) DARWAY NURSING HOME INC ONE GUTHRIE SQUARE SAYRE, PA 18840 23-1733967	NURSING FAC	PA	501 (C)(3)	9	GHS	Yes	

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

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
GUTHRIE CORNING DEVELOPMENT COMPANY	A	7,185	FMV
GUTHRIE CORNING DEVELOPMENT COMPANY	K	475,705	FMV
GUTHRIE CLINIC	M	3,195,359	FMV
GUTHRIE CLINIC	L	217,863	FMV
GUTHRIE HEALTHCARE SYSTEM	M	5,256,764	FMV
ROBERT PACKER HOSPITAL	M	31,635	FMV

Corning Hospital and Affiliate

Consolidated Financial Statements
December 31, 2013 and 2012

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Independent Auditor's Report

To the Board of Directors of
Corning Hospital and Affiliate

We have audited the accompanying consolidated financial statements of Corning Hospital and Affiliate (the "Hospital"), which comprise the consolidated balance sheets as of December 31, 2013 and December 31, 2012, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Corning Hospital and Affiliate at December 31, 2013 and December 31, 2012, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America

PricewaterhouseCoopers LLP

April 21, 2014

PricewaterhouseCoopers LLP, 677 Broadway, Albany, NY 12207
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Corning Hospital and Affiliate
Consolidated Balance Sheets
December 31, 2013 and 2012

	2013	2012
Assets		
Current assets		
Cash and cash equivalents	$ 6,447,259	$ 2,371,123
Patient accounts receivable, net of estimated uncollectibles of $8,744,231 and $7,934,030 for 2013 and 2012, respectively	8,983,158	9,485,659
Inventories	1,530,567	1,488,946
Due from related parties	31,767	2,746,278
Prepaid expenses and other assets	4,078,929	4,490,980
Prepaid pension cost	826,436	-
Total current assets	21,898,116	20,582,986
Assets limited as to use		
Trustee held funds under indenture agreement	147,603	882,483
Board-designated funds, temporarily and permanently restricted and self-insured trust funds	26,749,768	23,963,353
Total assets limited as to use	26,897,371	24,845,836
Investments	64,583,981	73,580,424
Pledge receivable, net of current portion	1,254,172	1,223,499
Property and equipment, net	98,505,905	39,758,628
Other assets, net	2,388,765	2,703,880
Total assets	$ 215,528,310	$ 162,695,253
Liabilities and Net Assets		
Current liabilities		
Current maturities of long-term obligations	$ 4,488	$ 4,488
Note payable - related party	185,340	185,147
Due to related parties	327,799	287,940
Accounts payable and accrued expenses	19,827,493	8,657,027
Accrued payroll, taxes, and vacation	2,791,125	2,996,987
Estimated third-party payable, net	10,563,099	9,169,269
Total current liabilities	33,699,344	21,300,858
Long-term liabilities		
Long-term obligations, net of current maturities	32,153,121	7,192,313
Note payable - related party, net of current portion	673,865	859,205
Accrued pension cost, net	-	7,975,257
Self-insured liabilities, net of current portion	13,934,641	15,306,080
Asset retirement obligation	7,953,925	7,583,975
Total liabilities	88,414,896	60,217,688
Net assets		
Unrestricted	124,103,145	99,489,648
Temporarily restricted	2,181,844	2,159,492
Permanently restricted	828,425	828,425
Total net assets	127,113,414	102,477,565
Total liabilities and net assets	$ 215,528,310	$ 162,695,253

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

Corning Hospital and Affiliate
Consolidated Statements of Operations and Changes in Net Assets
Years Ended December 31, 2013 and 2012

	2013	2012
Unrestricted revenue		
Net patient service revenue, net of provision for bad debts of $7,791,798 and $5,587,568 for 2013 and 2012, respectively	$ 78,040,686	$ 79,935,297
Other operating revenue	4,932,579	4,317,099
Total revenues	82,973,265	84,252,396
Expenses		
Salaries and wages	26,567,544	25,232,162
Employee benefits	5,335,053	6,729,739
Purchased services	13,162,692	12,423,555
Supplies	14,553,967	14,437,701
Other expenses	7,592,843	4,548,902
Depreciation and amortization	4,910,970	5,297,200
Interest	356,784	366,323
Total expenses	72,479,853	69,035,582
Income from operations	10,493,412	15,216,814
Nonoperating income		
Interest and dividends, net of investment fees	1,917,075	2,473,277
Unrealized and realized gains and losses on investments, net	4,238,223	6,504,569
Contributions	1,166,384	674,881
Other, net	1,966	4,546
Nonoperating income, net	7,323,648	9,657,273
Excess of revenues over expenses	$ 17,817,060	$ 24,874,087

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

Corning Hospital and Affiliate
Consolidated Statements of Operations and Changes in Net Assets, Continued
Years Ended December 31, 2013 and 2012

	2013	2012
Unrestricted net assets		
Excess of revenue over expenses	$ 17,817,060	$ 24,874,087
Change in pension obligation	6,634,091	77,224
Net assets released from restrictions used for purchase of property and equipment	162,346	30,687
Increase in unrestricted net assets	24,613,497	24,981,998
Temporarily restricted net assets		
Contributions and grant income	236,424	1,912,666
Unrealized gains on investments, net	774	3,159
Realized gains on investments, net	863	8,716
Interest and dividends, net of investment fees	746	6,797
Net assets released from restrictions	(216,455)	(163,175)
Increase in temporarily restricted net assets	22,352	1,768,163
Increase in net assets	24,635,849	26,750,161
Net assets		
Beginning of year	102,477,565	75,727,404
End of year	$ 127,113,414	$ 102,477,565

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

Corning Hospital and Affiliate
Consolidated Statements of Cash Flows
Years Ended December 31, 2013 and 2012

	2013	2012
Cash flows from operating activities		
Change in net assets	$ 24,635,849	$ 26,750,161
Adjustment to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	4,910,970	5,297,200
Net realized and unrealized (gains) losses on investments	(4,239,860)	(6,514,678)
Gain (loss) on sale of fixed assets, net	1,966	4,546
Pension obligation adjustment	(6,634,091)	(77,224)
Restricted contributions and grants received	(205,751)	(523,857)
Provision for bad debts	7,791,797	5,587,568
Changes in operating assets and liabilities		
Patient accounts receivable	(7,289,296)	(5,871,992)
Inventories	(41,621)	(2,493)
Pledge receivable	(30,673)	(1,223,499)
Prepaid expenses and other assets	412,051	(2,711,196)
Accrued pension cost, net	(2,167,602)	(3,773,413)
Accounts payable and accrued expenses	1,192,585	29,709
Accrued payroll, taxes, and vacation	(205,862)	(57,927)
Estimated third-party payables, net	1,393,830	2,198,441
Self-insured liabilities	(1,212,581)	(1,227,127)
Due to related parties, net	2,754,370	(2,592,448)
Other liabilities	366,797	(1,498,285)
Net cash provided by operating activities	21,432,878	13,793,486
Cash flows from investing activities		
Purchase of property and equipment	(53,526,075)	(19,393,281)
Purchase of assets limited as to use and investments, net	11,184,768	2,639,210
Net cash used in investing activities	(42,341,307)	(16,754,071)
Cash flows from financing activities		
Proceeds from long-term obligations	24,968,449	1,268,389
Payments of long-term obligations	(4,488)	(4,039)
Payments on note payable - related party	(185,147)	(182,902)
Deferred financing costs	-	(637,500)
Restricted contributions and grants received	205,751	523,857
Net cash provided by financing activities	24,984,565	967,805
Net increase (decrease) in cash and cash equivalents	4,076,136	(1,992,780)
Cash and cash equivalents		
Beginning of year	2,371,123	4,363,903
End of year	$ 6,447,259	$ 2,371,123
Supplemental information of non-cash transactions		
Property and equipment in accounts payable	$ 9,977,881	$ 3,406,958

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

1. Significant Accounting Policies

Organization and Principles of Consolidation

Corning Hospital ("Corning") is a not-for-profit healthcare facility located in Corning, New York whose sole member is The Guthrie Clinic ("TGC")

Guthrie Corning Development Company ("GCDC") is a not-for-profit membership corporation whose sole members are Corning and GHS Prior to 2013, GCDC leased space to Corning that houses the HealthWorks Wellness and Fitness Center On January 16, 2013, GCDC merged with Corning Hospital

In 2001, GHS and Guthrie Clinic Ltd ("the Clinic") entered into an alignment agreement and formed a new nonprofit organization called Guthrie Health Guthrie Health has direct oversight of both the Clinic and GHS and is responsible for the overall strategic direction and operational direction of the organization Its responsibilities include strategic planning, service development, operating and capital budget approval and the allocation of financial resources for the entire enterprise

A corporate restructuring was completed effective February 1, 2014 to allow the former Guthrie Health entity to be known as "The Guthrie Clinic" ("TGC") TGC replaces Guthrie Healthcare System as the sole corporate member of Corning Hospital, Guthrie Clinic physician group will now be called "Guthrie Medical Group, P C "

GHS's subsidiaries which were subject to Guthrie Health's "parental" powers under the 2001 Alignment Agreement, became direct subsidiaries of Guthrie Health (renamed The Guthrie Clinic) as a result of the Restructuring Guthrie Clinic, Ltd was renamed Guthrie Medical Group, P C and is now subject to the "parental control" of Guthrie Health (renamed The Guthrie Clinic) through provisions of the Clinic's Articles of Incorporation, Bylaws and a Shareholder Control Agreement Upon the effective date of the Restructuring, the 2001 Alignment Agreement was terminated In 2012, the consolidated financial statements include the accounts of Corning and GCDC, and are collectively referred to as the "Hospital" All significant intercompany transactions within the Hospital have been eliminated

In July 2012, the Hospital submitted a full review certificate of need application seeking approval for the certification of an extension clinic The extension clinic will occupy space that served the site of Guthrie Same Day Surgery Center, Inc ("GSDS"), an existing Article 28 not-for-profit diagnostic and treatment center, whose sole corporate member and active parent is GHS In December 2012, the certificate of need was approved and the operating certificate for the extension clinic was issued effective January 1, 2013 Effective January 1, 2013, GSDS became an extension clinic of Corning Hospital

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements Estimates also affect the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates Significant estimates made by the Hospital include, but are not limited to, estimated fair value of investments, allowance for uncollectible accounts and third-party payor contractual adjustments, estimated third-party settlements, insurance reserves for employee health insurance, workers' compensation and professional and general liability and assumptions used in determining pension liabilities, asset retirement obligations, and capital campaign pledges

Cash and Cash Equivalents
The Hospital considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents, excluding amounts held as assets limited as to use and investments The Hospital maintains funds on deposit in excess of amounts insured by the Federal Depository Insurance Corporation Limits

Patient Accounts Receivable
The Hospital grants credit without collateral to its patients, health maintenance organizations, commercial payors and governmental programs The mix of receivables, before allowances for doubtful accounts, at December 31 is as follows

	2013	2012
Medicare	31 %	30 %
New York Medicaid/Pennsylvania Medicaid	10	10
Other third-party payors	38	38
Self-pay	21	22
	100 %	100 %

Inventory Valuation
Inventories are stated at the lower of cost (first-in, first-out) or market

Assets Limited as to Use
Assets limited as to use primarily include funds held in trust by others, self insured trust funds for insurance, designated 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, and temporarily and permanently donor restricted assets

Investments and Investment Income
Investment securities (debt and equity) are recorded at fair value based on quoted market prices If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments The cost of sold investments is based upon the specific identification method Realized and unrealized gains and losses on investments, interest income and dividends from unrestricted investments are recorded as other income in the consolidated statements of operations Unrealized and realized gains and losses on investments from restricted assets are included as additions or deductions to either unrestricted or restricted net assets in accordance with applicable regulations

The Hospital has investments in U S Government and agency obligations, corporate bonds, mutual funds and equity securities Investment securities are exposed to various risks, such as interest rate, market and credit Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least possible that changes in risks in the near term would materially affect the net assets of the Hospital

Property and Equipment
Property and equipment are recorded at cost less the amount for accumulated depreciation Expenditures for maintenance, repairs and renewals of minor items are charged to operations as incurred Major renewals and improvements are capitalized Depreciation is provided on the straight-line method over the estimated useful lives of the related assets, which ranges from three to forty years

Gifts of land, buildings, or equipment are reported as unrestricted net assets, and are excluded from the excess of revenues over expenses Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted net assets

The Hospital assesses its assets for impairment whenever events or changes in circumstances indicate the carrying amount of a respective asset may exceed their fair value There were no impairment losses during the years ended December 31, 2013 and 2012

As discussed in Footnote 5, construction is underway on a replacement facility for Corning Hospital with a projected opening in July 2014 As a result, the Hospital updated the useful lives of all assets that will not be transferred to the new facility and recorded approximately $1,509,000 and $1,415,000 in accelerated depreciation in 2013 and 2012, respectively

Deferred Financing Costs
Deferred financing costs (included in other assets) relate to costs incurred in connection with obtaining long-term obligations, which are being amortized over the term of the related obligations, using the straight-line method Amortization expense related to deferred financing costs was $156,257 and $7,685 for the years ended December 31, 2013 and 2012, respectively

Self-Insured Liabilities
The Hospital, under certain insurance programs, maintains reserves for expected losses primarily relating to professional and general liability, workers' compensation and employees' medical insurance A provision for claims under self-insured programs is recorded based upon the Hospital's estimate, after consultation with actuaries, of the aggregate liability for claims incurred

Asset Retirement Obligations
The Hospital accrues for asset retirement obligations in the period in which they are incurred if sufficient information is available to reasonably estimate the fair value of the obligation Over time, the liability is accreted to its settlement value As discussed in Footnote 5, the building of a replacement facility for Corning Hospital is expected to be completed by July 2014 As a result, in 2012, the Hospital updated the estimate of the asset retirement obligation and the decrease in the liability was recorded as a reduction in other expenses of $1,820,550 Upon settlement of the liability, the Hospital will recognize a gain or loss for any difference between the settlement amount and liability recorded Accretion expense for the year ended December 31, 2013 is $419,989

Temporarily and Permanently Restricted Net Assets
Temporarily restricted net assets are those whose use by the Hospital have been limited by donors to a specific time period or purpose and are comprised of donor gifts Permanently restricted net assets have been restricted by donors to be maintained by the Hospital in perpetuity and are comprised primarily of endowment funds

Donor-Restricted Gifts
Unconditional promises to give cash and other assets to the Hospital are reported at fair value at the date the promise is received Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift 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 to unrestricted net assets and reported in the consolidated statements of operations and changes in net assets in other operating revenue or as released for the purchase of property and equipment based upon the donor restriction Donor-restricted contributions whose restrictions

are met within the same year as received are reported as unrestricted in the accompanying consolidated financial statements

Excess of Revenues Over Expenses
The consolidated statements of operations include excess of revenues over expenses Changes in unrestricted net assets which are excluded from excess of revenues over expenses, includes adjustments to pension obligations, 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)

Net Patient Service Revenue
Net patient service revenue is recorded at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive and prospective adjustments under reimbursement agreements with third-party payors Third-party payors retain the right to review and propose adjustments to amounts paid to the Hospital Such 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

Accounts receivable are reduced by an allowance for doubtful accounts In evaluating the collectibility of accounts receivable, the Hospital analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful 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 doubtful accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely) For receivables associated with self-pay patients (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 doubtful accounts The Hospital has not changed its charity care or uninsured discount policies during fiscal years 2013 or 2012

Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors The Hospital's Medicare cost reports have been audited and finalized by the Medicare fiscal intermediary through December 31, 2009

Under the New York Health Care Reform Act (NYHCRA), hospitals are authorized to negotiate reimbursement rates for inpatient acute care services with all other nonMedicare payors except for Medicaid, Workers' Compensation and No-Fault, which are regulated by New York State These negotiated rates may take the form of rates per discharge, reimbursed costs, discounted charges or as per diem payments Reimbursement rates for nonMedicare payors regulated by New York State are determined on a prospective basis These rates also vary according to a patient classification system defined by NYHCRA that is based on clinical, diagnostic, and other factors

Outpatient services are paid under various reimbursement methodologies, including prospective determined rates, cost reimbursement, fee schedules, and charges

The Hospital has agreements with third-party payors that provide for payments at amounts different from its established rates A significant portion of the Hospital's revenues are derived through these agreements, as such, the Hospital is dependent on these payors to carry out its operating activities

There are various proposals at the federal and state level that could, among other things, reduce payment rates The ultimate outcome of these proposals, regulatory changes, and other market conditions cannot presently be determined

The Hospital recognizes changes in estimates for net patient service revenue, and third-party settlements as new events occur, as more experience is acquired or as additional information is obtained For the years ended December 31, 2013 and 2012, adjustments to prior year estimates resulted in increase (decrease) to excess of revenue over expenses of approximately $407,000 and $1,782,000, respectively

Charity Care and Community Service
The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue The direct and indirect costs associated with these services for charity care provided by the Hospital approximate $301,000 and $294,000 in 2013 and 2012, respectively The Hospital estimated these costs by application of the standard cost-to-charge ratio

As part of its charitable mission, the Hospital provides care through its emergency department It ensures that an emergency admission or treatment is not delayed or denied pending determination of coverage or a requirement for prepayment or deposit As a result of this policy, the Hospital had approximately $1,656,000 and $1,365,000 in bad debts in 2013 and 2012, respectively

Revenues generated from patients who participate in the Medicaid program are subject to substantial discounts that result in reimbursement for services rendered below the cost of providing such services In order for patients to meet the guidelines for the Medicaid program, various income-based criteria must be met that validate the patient's inability to pay for services and ineligibility under other programs The estimated loss incurred from providing services to Medicaid patients amounted to approximately $1,106,000 and $1,164,000 in 2013 and 2012, respectively

The provision for bad debts is net of pool receipts of approximately $835,000 and $1,196,300 in 2013 and 2012, respectively

Other Revenue
The Hospital recognized meaningful use revenue of approximately $1,500,000 and $2,000,000 in 2013 and 2012, respectively, related to the implementation of electronic health records

Income Taxes
The consolidated financial statements do not give consideration to income taxes, as Corning and GCDC are tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code The Hospital is subject to taxes on unrelated business income under Section 511 of the Internal Revenue Code

Subsequent Events
The Hospital evaluated subsequent events through April 21, 2014 which was the date the consolidated financial statements were issued

2. Assets Limited as to Use and Investments

The composition of assets limited as to use and investments, at fair value, is as follows at December 31

	2013	2012
Held by trustee under indenture agreement		
Cash and cash equivalents	$ 147,603	$ 882,483
	147,603	882,483
Board-designated, temporarily and permanently restricted and self-insured trust funds		
Cash and cash equivalents	2,202,785	1,208,969
Fixed income securities	4,660,080	4,682,074
Bond Mutual Funds	4,272,247	2,910,629
Government securities	6,400,756	6,342,227
Real Assets	1,094,062	1,220,467
Equity Mutual Funds	3,528,434	4,070,834
Equities	4,591,404	3,528,153
	26,749,768	23,963,353
Total assets limited as to use	26,897,371	24,845,836
Investments		
Cash and cash equivalents	5,374,929	2,056,083
Fixed income securities	9,857,027	13,081,789
Bond Mutual Funds	12,189,805	10,177,854
Government securities	14,131,457	19,427,415
Real Assets	3,121,637	4,267,713
Equity Mutual Funds	6,808,682	12,232,370
Equities	13,100,444	12,337,200
Total investments	64,583,981	73,580,424
Total assets limited as to use and investments	$ 91,481,352	$ 98,426,260

The Hospital's investment return for the years ended December 31 is as follows

	2013	2012
Interest and dividends, net of investment fees	$ 1,917,821	$ 2,480,074
Realized gains on investments, net	2,202,640	3,474,646
Change in net unrealized gains (losses) on investments, net	2,037,220	3,041,798
	$ 6,157,681	$ 8,996,518

The Hospital's investments are managed by investment managers through GHS The distribution of the investment income is allocated to the Hospital based on a unit fair value Because the Hospital's investments include a variety of financial instruments, the related values as presented in the consolidated financial statements are subject to various market fluctuations which include changes in the equity markets, interest rate environment and general economic conditions

3. Fair Value Measurements

The Hospital is subject to certain accounting guidance for fair value measurements Fair value is defined under the guidance as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date

Assets and liabilities recorded at fair value in the consolidated balance sheet are categorized based upon the level of judgment associated with the inputs used to measure their fair value An asset or a liability's categorization within the fair value hierarchy is based on the lowest level of judgment input to its valuation Hierarchal levels, as defined by accounting guidance, are directly related to the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities as follows

Level I Valuations based on quoted prices in active markets for identical assets or liabilities that the Hospital has the ability to access Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment

Level II Valuations based on quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly

Level III Valuations based on inputs that are unobservable and significant to the overall fair valued measurement These are generally company generated inputs and are not market based inputs

Financial instruments measured at fair value are based on one or more of the three valuation techniques noted in fair value guidance The three valuation techniques are as follows

Market approach Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities

Cost approach Amount that would be required to replace the service capacity of an asset (i e , replacement cost)

Income approach Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques and option-pricing models)

Investments and Assets Limited as to Use
The following methods and assumptions were used to estimate the fair value of each class of financial instruments

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

Fixed Income Securities - The estimated fair value of fixed income securities are based on quoted prices that are traded less frequently than exchange-traded instruments whose value is determined using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data

Bond Mutual Funds – Fair value estimates for publicly traded securities are based on quoted market prices

Government Securities - The estimated fair values of debt securities are based on quoted market prices and/or other market data for the same or comparable instruments and transactions in establishing the prices Fair values of debt securities that do not trade on a regular basis in active markets are classified as Level II

Real Assets – Fair value estimates for publicly traded securities are based on quoted market prices

Equity Mutual Funds – Fair value estimates for publicly traded securities are based on quoted market prices

Equity Securities - Fair value estimates for publicly traded securities are based on quoted market prices and/or other market data for the same or comparable instruments and transactions in establishing the prices

The categorization of assets limited as to use and investments within the fair value hierarchy are as follows

	December 31, 2013				
	Level 1	Level 2	Level 3	Total	Valuation Technique
Cash and cash equivalents	$ 7,725,318	$ -	$ -	$ 7,725,318	Market
Fixed income securities	-	14,517,107	-	14,517,107	Market
Bond mutual funds	-	11,869,351	-	11,869,351	Market
Government securities	18,141,197	2,391,016	-	20,532,213	Market
Real assets	4,215,698	-	-	4,215,698	Market
Equity mutual funds	10,337,116	-	-	10,337,116	Market
Equity securities	17,691,849	-	-	17,691,849	Market
Pooled funds	-	4,592,700	-	4,592,700	Market
	$ 58,111,178	$ 33,370,174	$ -	$ 91,481,352	

	December 31, 2012				
	Level 1	Level 2	Level 3	Total	Valuation Technique
Cash and cash equivalents	$ 4,147,535	$ -	$ -	$ 4,147,535	Market
Fixed income securities	-	17,763,863	-	17,763,863	Market
Bond mutual funds	-	13,088,483	-	13,088,483	Market
Government securities	24,982,792	786,850	-	25,769,642	Market
Real assets	5,488,180	-	-	5,488,180	Market
Equity mutual funds	12,080,693	-	-	12,080,693	Market
Equity securities	15,865,353	-	-	15,865,353	Market
Pooled funds	-	4,222,511	-	4,222,511	Market
	$ 62,564,553	$ 35,861,707	$ -	$ 98,426,260	

The Hospital uses the Net Asset Value (NAV) as determined by each general partner as the fair value of fund investments which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principals of an investment company or have the attributes of an investment company The following table provides additional disclosures related to these funds

Pooled Funds	Recorded Value	Unfunded Commitments	Commitment Term	Redemption Terms
12/31/2013	$ 4,592,700	N/A	N/A	Monthly, Quarterly with 90 and 60 days prior written notice
12/31/2012	$ 4,222,511	N/A	N/A	Monthly, Quarterly with 90 and 60 days prior written notice

4. Temporarily and Permanently Restricted Net Assets

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

	2013	2012
Purchase of property and equipment	$ 2,175,843	$ 2,086,599
Health care services	3,101	65,429
Education and research	2,900	7,464
	$ 2,181,844	$ 2,159,492

Permanently restricted net assets are restricted as follows at December 31

	2013	2012
Investments to be held in perpetuity, the income from which is expendable to support operations	$ 828,425	$ 828,425

In September 2010, New York State enacted its version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") The Hospital has interpreted UPMIFA as requiring the preservation of the value of the original gift of the donor-restricted endowment funds absent explicit donor stipulations to the contrary As a result of this interpretation, the Hospital classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts donated to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund The remaining portion of the donor-restricted endowment that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Hospital in a manner consistent with the standard of prudence prescribed by UPMIFA

The Hospital considers the following factors in determining if donor-restricted endowment funds are accumulated or appropriated

(1) The duration and preservation of the fund

(2) The purposes of the Hospital's donor-restricted endowment funds

(3) General economic conditions

(4) Effect of possible inflation or deflation

(5) The expected total investment return and appreciation of investments

(6) Other resources of the Hospital

(7) Investment policies of the Hospital

The Hospital's permanently restricted net assets consist of individual endowment accounts Unless otherwise directed by the donor, gifts received for endowments are invested in accordance with the Hospital's investment policy Unless otherwise directed by the donor, the Hospital annually appropriates a certain percentage of each endowment fund, which is then available for spending in accordance with the donor's intent In order to preserve the real value of a donor's gift and to sustain funding consistent with donor intent, the annual appropriation rate is set to strike a reasonable balance between long-term objectives of preserving and growing each endowment fund for the future and providing stable, annual appropriations

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors are as follows for the years ended December 31

	2013	2012
Purchase of property and equipment	$ 166,729	$ 30,687
Health care services	31,639	35,669
Education and research	18,087	24,048
Other	-	72,771
	$ 216,455	$ 163,175

5. Property and Equipment

Property and equipment, recorded at cost, consists of the following at December 31

	2013	2012
Land and land improvements	$ 5,955,011	$ 5,945,811
Buildings and building improvements	31,223,841	29,788,332
Permanent fixtures and equipment	28,545,493	27,520,165
Rental property and equipment	583,579	1,967,179
	66,307,924	65,221,487
Less Accumulated depreciation	(47,846,360)	(43,296,855)
	18,461,564	21,924,632
Construction in progress	80,044,341	17,833,996
	$ 98,505,905	$ 39,758,628

Depreciation expense in 2013 and 2012 amounted to approximately $4,747,000 and $5,290,000, respectively

On January 20, 2012, the Guthrie Health Board of Directors approved the building of a replacement facility for Corning Hospital The total project cost is estimated at $146 2 million and has received approval from the NYS Department of Health The financing of the project is through an intercompany loan of up to $42 5 million with Guthrie Health, Series 2012 Bonds, and the balance from investment and board designated funds The facility will be located approximately 4 5 miles from the existing facility on a 70 acre campus Services in the new facility will include 65 private inpatient rooms, outpatient services and a larger cancer center Construction began in June 2012 with planned occupancy in July 2014

6. Long-Term Obligations

Long-term obligations consist of the following at December 31

	2013	2012
Guthrie Health Promissory Note (a)	$ 5,920,771	$ 5,928,412
Guthrie Health Promissory Note (b)	26,236,838	1,268,389
Less Current portion of long-term obligations	(4,488)	(4,488)
	$ 32,153,121	$ 7,192,313

(a) On September 8, 2011, Guthrie Health issued $102,370,000 of bonds through the Central Bradford Progress Authority (Series 2011 Bonds) In connection with this offering, Guthrie Health loaned the Hospital approximately $5 9 million for costs of construction and renovation of its facilities The loan is a 30 year agreement with the last payment due on December 1, 2041 Interest rates range from 3% to 5 5% The interest rate charged at December 31, 2013 was 3% Under the Guthrie Health agreement, the consolidated accounts receivable of Guthrie Health are pledged as collateral

(b) On October 18, 2012, Guthrie Health issued $50,000,000 of bonds through the Central Bradford Progress Authority (Series 2012 Bonds) In connection with this offering, Guthrie Health will loan the Hospital $42 5 million for the construction of a new hospital The loan is a 30 year agreement with the last payment due on June 1, 2042 Interest payments are paid monthly at a fixed rate of 4 282% to Guthrie Health Under the Guthrie Health agreement, the consolidated accounts receivable of Guthrie Health are pledged as collateral

A summary of the aggregate principal requirements on these long-term obligations as of December 31, 2013 are as followings

2014	$ 4,488
2015	4,488
2016	4,936
2017	4,078
2018	8,527
Thereafter	32,131,092
	32,157,609

Cash paid for interest was $879,570 and $377,421 in 2013 and 2012, respectively

7. Functional Expenses

The Hospital provides health care services Expenses related to providing these services are as follows for the years ended December 31

	2013	2012
Health care services, including education	$ 50,974,824	$ 50,808,212
General and administrative	21,505,029	18,227,370
	$ 72,479,853	$ 69,035,582

8. Pension Plans

The Hospital provides two retirement plans A defined benefit plan for bargaining unit employees and a defined contribution plan for nonbargaining unit employees

Defined Benefit Plan
The Hospital maintains a defined benefit retirement plan (the "Plan") covering eligible bargaining unit employees Plan benefits are generally based on years of service and the employee's compensation The Plan was amended as of December 31, 2008 The amendment froze all benefit accruals for nonbargaining unit members and excludes the nonbargaining unit members from being eligible participants in the Plan effective for periods after December 31, 2008

The following tables set forth the changes in the Plan's benefit obligation, fair value of plan assets and accrued benefit cost at December 31

	2013	2012
Change in benefit obligation		
Benefit obligation at beginning of year	$ 36,938,820	$ 33,881,164
Service cost	778,968	734,912
Interest cost	1,588,603	1,545,892
Benefits paid	(1,025,274)	(932,268)
Actuarial (gain) loss	(3,756,931)	1,933,127
Expenses paid	(430,942)	(377,522)
Employee contribution	110,237	101,679
Plan amendments	92,412	51,836
Benefit obligation at end of year	$ 34,295,893	$ 36,938,820
Change in plan assets		
Fair value of plan assets at beginning of year	$ 28,963,563	$ 22,055,270
Actual return of plan assets	3,904,744	2,816,404
Employer contribution	3,600,000	5,300,000
Employee contribution	110,237	101,679
Benefits paid	(1,025,274)	(932,268)
Expenses paid	(430,942)	(377,522)
Fair value of plan assets at end of year	$ 35,122,328	$ 28,963,563
Amounts recognized in consolidated balance sheet		
Funded status	$ 826,435	$ (7,975,257)
Funded status	$ 826,435	$ (7,975,257)

The accumulated benefit obligation at December 31, 2013 and 2012 was $31,963,286 and $34,295,201, respectively

Amounts Recognized in Unrestricted Net Assets
Amounts recognized in unrestricted net assets consist of an actuarial loss of $8,986,791 and $15,720,429 in 2013 and 2012, respectively, and a prior service obligation of $(38,389) and $61,184 at December 31, 2013 and 2012, respectively

The composition of net periodic pension cost for the years ended December 31 is as follows

	2013	2012
Service cost	$ 778,968	$ 734,912
Interest cost	1,588,603	1,545,892
Expected return on plan assets	(2,224,555)	(1,890,697)
Amortization of actuarial loss	1,296,544	1,155,833
Amortization of unrecognized prior service cost	(7,161)	(19,353)
Net periodic pension cost	$ 1,432,399	$ 1,526,587

	2013	2012
Changes recognized in unrestricted net assets		
Net prior service cost	$ 92,412	$ 51,836
Net loss (gain) arising during the year	(5,437,120)	1,007,420
Amortization or curtailment recognition of prior service credit (cost)	7,161	19,353
Amortization or settlement recognition of net gain (loss)	(1,296,544)	(1,155,833)
Total recognized in unrestricted net assets	$ (6,634,091)	$ (77,224)
Total recognized in net periodic benefit pension cost and unrestricted net assets	$ (5,201,692)	$ 1,449,363

Assumptions
Weighted-average assumptions used at December 31 and for the years ended are as follows

	2013	2012
Benefit obligations		
Discount rate	4 90 %	4 10 %
Rate of compensation increase	3 50 %	3 50 %
Net periodic pension cost		
Discount rate	4 50 %	4 90 %
Expected long-term return on plan assets	7 50 %	7 50 %
Rate of compensation increase	3 50 %	3 50 %

The expected long-term rate of return on plan assets is determined considering the investment policy, asset allocation, and expected future returns Historical returns and future economic forecasts are also reviewed to access the reasonableness of the assumption

Investment Policy
The Guthrie Health Investment Committee is responsible for establishing investment objectives, guidelines, and target allocations of plan assets The Committee utilizes investment consultants to analyze returns compared to benchmarks, and to ensure compliance to all objectives, guidelines, and targets Investment managers are utilized based on the asset allocation strategy Performance is monitored by the Committee on a quarterly basis

Plan Assets
The weighted average asset allocations by asset category are as follows at December 31

	2013	2012
Cash and cash equivalents	14 %	8 %
Equities	55	56
Government and fixed income securities	31	36
	100 %	100 %

Cash Flows
The Hospital expects to contribute approximately $2,500,000 to the pension plan in 2014

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

2014	$ 1,219,000
2015	1,393,000
2016	1,554,000
2017	1,675,000
2018	1,797,000
2019–2023	10,468,000
	$ 18,106,000

In 2014, the actuarial net loss and prior service credit for the pension plan that will be recognized as a component of the net periodic cost are $673,377 and ($5,031), respectively The alternative straight line amortization is used to calculate the prior service amounts

The following table presents the Plan's financial instruments as of December 31, 2013 and 2012, measured at fair market value on a recurring basis using the fair value hierarchy defined in Note 3

	December 31, 2013				
	Level 1	Level 2	Level 3	Total	Valuation Technique
Cash and cash equivalents	$ 4,842,292	$ -	$ -	$ 4,842,292	Market
Fixed income securities	-	1,651,420	-	1,651,420	Market
Bond mutual funds	-	6,626,515	-	6,626,515	Market
Government securities	2,500,255	127,352	-	2,627,607	Market
Equity mutual funds	8,315,447	-	-	8,315,447	Market
Equities	11,059,047	-	-	11,059,047	Market
	$ 26,717,041	$ 8,405,287	$ -	$ 35,122,328	

	December 31, 2012				
	Level 1	Level 2	Level 3	Total	Valuation Technique
Cash and cash equivalents	$ 2,349,924	$ -	$ -	$ 2,349,924	Market
Fixed income securities	-	4,808,190	-	4,808,190	Market
Bond mutual funds	-	-	-	-	Market
Government securities	5,398,997	224,309	-	5,623,306	Market
Equity mutual funds	4,705,378	-	-	4,705,378	Market
Equities	11,476,765	-	-	11,476,765	Market
	$ 23,931,065	$ 5,032,498	$ -	$ 28,963,563	

Defined Contribution Plan
As of January 1, 2009, nonbargaining unit employees began participating in the GHS defined contribution plan Nonbargaining unit employees who have attained the age of twenty-one and have completed one year of credited service, are eligible to participate in the GHS Retirement Savings Plan, a defined contribution plan The plan is funded by GHS at a matching formula with a base contribution For employer contributions, participants are 50% vested after two years, 75% vested after three years and 100% vested after four years of credited service

Pension expense under the GHS defined contribution plan for the years ended December 31, 2013 and 2012 was $284,543 and $265,968, respectively

9. Insurance Coverage

Professional and General Liability Insurance
The Guthrie Clinic formed Guthrie Risk Retention Group (GRRG) to provide primary medical malpractice and general liability coverage for certain affiliates effective July 1, 2004 The Hospital is insured under GRRG and has total amounts accrued for the claims reported and claims incurred but not reported under the claims-made policies of approximately $6,624,000 and $5,431,000 at June 30, 2013 and 2012, respectively Amounts included in current liabilities at June 30, 2013 and 2012 are $831,000 and $600,000, respectively Amounts recognized as anticipated insurance recoveries related to the claims approximate $10,000 at June 30, 2013 and 2012

Workers' Compensation Claims
The Hospital is partially self-insured for workers' compensation claims for those claims incurred from July 1, 1989 to June 30, 2009 Under this plan, the Hospital is liable for any claims up to $400,000 per occurrence The Hospital is required to maintain a letter of credit of approximately $4,076,000 in order to collateralize potential payments for these claims Claims incurred prior to July 1, 1989 are fully insured Claims incurred after July 1, 2009 are insured under a large deductible plan Under this plan, the Hospital is liable for any claims up to $250,000 per occurrence Amounts recognized as insurance receivables related to the claims approximate $1,490,000 and $1,649,000 at December 31, 2013 and 2012, respectively and are recorded in other assets in the consolidated financial statements Insurance recoveries are measured on the same basis as the liability subject to the need for a valuation allowance for uncollectable amounts

The amount charged to expense for workers' compensation claims was approximately $(1,748,000) and ($855,000) in 2013 and 2012, respectively

Health Insurance
The Hospital partially retains risk for medical insurance It is the Hospital's policy to reserve for claims reported and claims incurred but not reported

10. Transactions With Related Parties

GHS and other related parties provide services, such as administrative, physical therapy, occupational therapy, speech therapy, dietary, laundry and pharmacy services, as well as building rental, to the Hospital The expense related to the above services was $11,064,545 and $9,519,631 for 2013 and 2012, respectively Amounts due from (to) GHS and other related parties was $(296,032) and $2,458,338 as of December 31, 2013 and 2012, respectively

Notes payable to related parties at December 31 are as follows

	2013	2012
Guthrie Healthcare System (GHS)		
Notes payable (a)(b)(c)	$ 859,205	$ 1,044,352
Less Current portion	(185,340)	(185,147)
	$ 673,865	$ 859,205

(a) Balance includes a note payable of $1,000,000 from Corning to GHS The note bears interest at the prime rate and is payable in annual principal installments of $66,667

(b) Balance includes a note payable of $1,198,143 from Corning to GHS The note bears interest at 6% and is payable in annual principal installments of $79,876

(c) Balance includes a note payable of $671,450 from Corning to GHS The note bears interest at 6% and is payable in monthly installments that vary due to outstanding principal balance

11. Contingencies

Regulatory Compliance
The health care industry is subject to numerous laws and regulations of federal, state and local governments Compliance with such laws and regulations can be subject to future government review and interpretations as well as regulatory actions unknown or unasserted at this time

Litigation
The Hospital is involved in certain claims and legal proceedings in the normal course of business in which monetary damages and other relief are sought The Hospital is vigorously contesting these claims However, resolution of these claims is not expected to occur quickly and their ultimate outcome cannot presently be determined In any event, it is the opinion of management, after considering the effects of insurance coverage and related reserve estimates, the liability to the Hospital, if any, for claims or proceedings will not materially affect its financial position