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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 10-01-2013, 2013, and ending 09-30-2014

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

C Name of organization

Danbury Hospital

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

24 Hospital Avenue

Room/suite

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

Danbury, CT 06810

F Name and address of principal officer

John M MurphyMD

24 Hospital Avenue

Danbury, CT 068106099

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:

www.danburyhospital.org

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation

1885

M State of legal domicile

CT

Part I	Summary																													
Activities & Governance	<div><div>1</div><div>Briefly describe the organization's mission or most significant activities</div><div>To enhance through medical care, education and research the health and well being of individuals in Danbury, Connecticut and surrounding communities in partnership with those we serve</div></div>																													
	<div><div>2</div><div>Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets</div></div>																													
Revenue	<table><tr><td>3</td><td>Number of voting members of the governing body (Part VI, line 1a)</td><td>9</td></tr><tr><td>4</td><td>Number of independent voting members of the governing body (Part VI, line 1b)</td><td>7</td></tr><tr><td>5</td><td>Total number of individuals employed in calendar year 2013 (Part V, line 2a)</td><td>3,233</td></tr><tr><td>6</td><td>Total number of volunteers (estimate if necessary)</td><td>270</td></tr><tr><td>7a</td><td>Total unrelated business revenue from Part VIII, column (C), line 12</td><td>6,343,725</td></tr><tr><td>7b</td><td>Net unrelated business taxable income from Form 990-T, line 34</td><td></td></tr></table>	3	Number of voting members of the governing body (Part VI, line 1a)	9	4	Number of independent voting members of the governing body (Part VI, line 1b)	7	5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	3,233	6	Total number of volunteers (estimate if necessary)	270	7a	Total unrelated business revenue from Part VIII, column (C), line 12	6,343,725	7b	Net unrelated business taxable income from Form 990-T, line 34												
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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

Steven H Rosenberg SVP & CFO

Type or print name and title

2015-08-12

Date

Paid Preparer Use Only

Print/Type preparer's name

Jennifer Lynch

Firm's name

ERNST & YOUNG US LLP

Firm's address

111 MONUMENT CIRCLE STE 4000

INDIANAPOLIS, IN 46204

Preparer's signature

Date

Check ☐ if self-employed

PTIN

P01255855

Firm's EIN

Phone no

(317) 681-7000

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2013)

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

To improve the health of every person we serve through the efficient delivery of excellent, innovative and compassionate care

2

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

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?

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 \$ 401,412,531 including grants of \$) (Revenue \$ 503,237,796)

Clinical CareDuring FYE2014, approximately 18,000 discharges and 66,000 Emergency Room visits occurred Below are some of the accolades, accreditations and designations that we have been recognized with Hospital Accreditation, Joint Commission, 2014-2017America's Improving Quality and Safety Top Performer, Joint Commission, 2013-2014Primary Stroke Center Recertification, Joint Commission, 2014-2017Breast Care Program Accreditation, National Accreditation Program for Breast Centers, 2012-2014Vascular Laboratory Accreditation, Intersocietal Accreditation Commission, 2014-2016Certification for Joint/Spine, Joint Commission, 2012-2014Center for Weight Loss Surgery Accreditation, American College of Surgeons Bariatric Surgery Center Network, 2012Wound Care and Hyperbaric Medicine Accreditation, Undersea and Hyperbaric Medical Society, 2013Gold Standard Accreditation for Breast Ultrasound, American College of Radiology, 2012Joint Replacement Learning Community, Institute for Healthcare Improvement, 2014Awarded Disease Specific Certification (two year) for Hip, Knee and Spine Surgery Programs, Joint Commission Gold Seal of Approval, 2012Heart-Safe Community, CT Department of Public Health, 2012J D Thompson Award for Improvements in Heart Attack Treatment, Connecticut Hospital Association, 2013Most Wired Hospital, Hospitals and Health Networks, 2014Top 100 Great Community Hospitals, Becker's Hospital Review, 2012In 2014, Cleverly and Associates, ranked Danbury Hospital as a top 100 great community value hospital Also in 2014, they awarded Danbury Hospital with a Five-Star-Community Value Leadership Award for providing high-quality, high-value services at an appropriate cost

4b

(Code) (Expenses \$ 19,750,234 including grants of \$ 1,494,109) (Revenue \$ 4,691,700)

TeachingDanbury Hospital is part of a premier patient-centered system of care dedicated to improving the health and well-being of our patients and the surrounding communities of Western Connecticut and nearby New York State As a regional medical center and university teaching hospital affiliated with the University of Vermont College of Medicine and Yale University School of Medicine, Danbury Hospital provides a dynamic environment for teaching and research for our Graduate Medical Education training programs The hospital received Accreditation with Commendation from the Joint Commission on Accreditation of Health care Organizations, and is approved to sponsor residency/fellowship programs by the Accreditation Council for Graduate Medical Education of the American Medical Association Danbury Hospital sponsors residency training in Internal Medicine, Primary Care, Obstetrics and Gynecology, Surgery, Pathology, Dentistry, and a fellowship in Cardiovascular Disease Residents and fellows are exposed to a broad range of clinical and didactic experiences throughout their training, and have many opportunities to present at local and national meetings as well as publish original research A distinctive component of our Graduate Medical Education training programs is our Global Health Track Global Health offers the opportunity for residents to perform rotations in the Dominican Republic, Russia, Uganda, Vietnam, and Zimbabwe With the vision of improving patient care and medical education through the cooperation and exchange of ideas with many partners around the world, our residents have the opportunity to interact with rare disease entities not commonly encountered in the United States In 2014, our Global Health program formally recognized its first ever Global Health Resident, due to her unprecedented levels of leadership and health care initiatives abroad This resident was recognized for founding her own organization and for her groundbreaking work in Uganda with that organization, STAR (Surgical Training and Research) International The focus of STAR International is to improve womens health in Uganda by combining surgical equipment, training camps, and research She is ultimately providing Ugandan health care teams with the necessary tools to care for the women of Uganda and address previously untreated gynecological issues This residents work was so highly regarded and innovative that Danbury Hospitals Foundation supported her efforts, which helped bolster our Graduate Medical Education training programs and encouraged our residents to continue to deliver the very best care responsive, compassionate, and cutting-edge Danbury Hospitals residency training programs are vital for fulfilling Western Connecticut Health Networks mission to improve the health and well-being of the communities we call home Our training programs broaden access to primary and specialty care and expand our breadth of services In 2014, the hospital introduced a new \$150 million patient tower with private rooms, state of the art ED, ICU and room for expanding OR space and capacity This addition has allowed our residents to operate within the highest quality standards in the delivery of patient care and has promoted the continual integration of our vital residents into our healthcare system With over 150 residents (including visiting residents) circulating throughout our hospital, it is essential that our residents are fluent in the ever-changing future of healthcare and gain exposure and familiarity to these new elements during their training Simply put, todays residents are tomorrows doctors During the year 648 persons participated

4c

(Code) (Expenses \$ 3,509,406 including grants of \$ 509,457) (Revenue \$)

ResearchThe WCHN Research Institute has made great progress in the development of technologies for discovery and diagnosis of early cancer biomarkers These could be used for screening of patients at high risk for colorectal, ovarian and breast cancer disease progression This is a great stride in the field of personalized medicine where we are moving towards the accurate selection of adjuvant chemotherapy based on the unique molecular characteristics of the patients tumor This approach rather than the current one standard treatment protocol fits all approach will ensure a response to treatment with minimal toxic side effects The research institute is also in the early stages for development and commercializing of a new diagnostic tool that has potential to effectively select patients for enrollment in clinical trials for a targeted agent or drug The WCHN research institute will be collaborating with Mt Sinai to establish a state-of-the-art precision medicine program at Danbury hospital linking gynecologic/oncology patient clinical care and genomic information to improved treatment and surveillance The WCHN Research Institute is the first of its kind to have a Lyme disease Registry on-site The Pathology Research group is working with these patient samples to develop a new and improved diagnostic blood test for Lyme disease This novel assay is sensitive enough for early detection of Lyme disease and has clinical utility to facilitate early therapeutic intervention to prevent the progression of Lymes disease The WCHN Research Institute is growing and has generated a number of high impact scientific journal articles The institute fosters a collaborative spirit with an open-lab design We continue to encourage the development and sharing of research ideas by continuing the tradition of Research day symposium first initiated in 2013

4d

Other program services (Describe in Schedule O)























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

4e

Total program service expenses ▶ 424,672,171

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 Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f	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 Yes	
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 Yes	
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? <i>If "Yes," complete Schedule I, Parts I and II</i>	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? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	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? <i>If so, complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response 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	666
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	3,233
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	
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	Yes
b	If "Yes," enter the name of the foreign country: CJ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7 Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	0
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	No
9 Sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a	No
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	No
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	No
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	No
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	9	
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O		
1b	Enter the number of voting members included in line 1a, above, who are independent	7	
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	Yes
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	Yes
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
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	8a	Yes
8b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

Section B. Policies

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input checked="" type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)
19	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization Mary Jo Pawlak 24 Hospital Avenue Danbury,CT 068106099 (203) 739-8110

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			
(1) John M MurphyMD Pres/CEO WCHN	40 00 10 00	X		X				1,243,861	0	54,487
(2) Neil Culligan MD Director	1 00 2 00	X						0	0	0
(3) David Kramer MD Director	1 00 2 00	X						0	0	0
(4) D Cyganowski To 91 Director	1 00 2 00	X		X				0	0	0
(5) Richard G Jabara Director	1 00 3 00	X						0	0	0
(6) Anthea Disney Director	1 00 2 00	X						0	0	0
(7) Joseph D Skrzypczak Secretary	1 00 2 00	X		X				0	0	0
(8) Spencer Houldin Director	1 00 3 00	X						0	0	0
(9) Brian C White Director	1 00 4 00	X						0	0	0
(10) James Kennedy Chairman	3 00 7 00	X		X				0	0	0
(11) Steven H Rosenberg SVP/CFO,Treas	40 00 11 00			X				717,641	0	45,409
(12) D DeBarba From 11 Exec VP & Pres	1 00 49 00			X				0	1,110,329	26,151
(13) Donna Kaplanis Ass't Secretary	40 00 10 00			X				236,977	0	57,460
(14) Matthew A Miller MD SVP & Chief Medical Officer	40 00 4 00				X			0	646,881	48,643
(15) Phyllis F Zappala To 821 Sr VP Human Resources	40 00 0 00				X			847,209	0	39,459
(16) Moreen O Donahue Sr VP/Chief Nurse Officer	40 00 1 00				X			378,338	0	63,432
(17) Michael Daglio Chief Operating Officer	40 00 0 00				X			472,790	0	47,424

Part VII

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Morris Gross VP of Facilities/Real Estate	40 00 2 00				X			313,570	0	53,026
(19) Kathleen A Dematteo Chief Information Officer	40 00 0 00				X			416,429	0	37,781
(20) William Delaney MD Physician	40 00 0 00					X		273,200	0	57,425
(21) Dawn Myles VP,Qual & Pat Sfty	40 00 0 00					X		274,512	0	25,996
(22) Sally Herlihy VP of Planning	40 00 0 00					X		316,503	0	51,100
(23) Susan C Iovino To 712 Chief Learning Off	40 00 0 00					X		381,045	0	32,407
(24) Ramin Ahmadi MD Dir of Educ /Res	40 00 0 00					X		322,991	0	44,788
(25) Ruth Gregory Director of Purchasing	0 00 0 00						X	160,658	0	27,848
(26) John Borruso MD WCMG Physician	0 00 50 00						X	0	465,927	25,525
(27) Carolyn McKenna Sr VP & General Counsel	40 00 0 00						X	413,523	0	44,968
(28) Joseph Campbell Chief Audit Compl Officer	40 00 0 00						X	264,660	0	62,127
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								7,033,907	2,223,137	845,456

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▶522

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year		
(A) Name and business address	(B) Description of services	(C) Compensation
JHD GROUP 5055 KELLER SPRINGS RD SUITE 240 ADDISON TX 75001	MANAGEMENT SVCS	1,087,601
ROBINSON & COLE LLP 280 TRUMBULL STREET HARTFORD CT 06103	ATTORNEYS	1,631,922
DANBURY RADIOLOGICAL ASSOCIATES PO BOX 417407 BOSTON MA 02241	RADIOLOGY SERVICES	863,082
E4 SERVICES LLC 60 NORTH CAROLINA AVE SINKING SPRING PA 19608	ITG CONSULTANTS	822,576
PRICE WATERHOUSE COOPERS LLC PO BOX 7247 PHILADELPHIA PA 19170	CONSULTANTS	1,687,800
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 ▶47		

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	20,582,007			
	e	Government grants (contributions) 1e	2,787,514			
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	235,636			
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f	23,605,157			
Program Service Revenue	2a	Ancillary Service	Business Code 621400	258,054,138	258,054,138	
	b	Contract Lab	621500	5,534,163		5,534,163
	c	Medicare/Medicaid Pay'ts	621990	208,179,903	208,179,903	
	d	Rental Inc -Affl Exempt	532000	2,375,464	2,375,464	
	e	Routine Patient	621990	32,724,552	32,724,552	
	f	All other program service revenue		752,720	752,720	
	g	Total. Add lines 2a-2f	507,620,940			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	2,691,525			2,691,525
	4	Income from investment of tax-exempt bond proceeds	77,352			77,352
	5	Royalties	0			
	6a	Gross rents	(i) Real 889,345	(ii) Personal		
	b	Less rental expenses	179,112			
	c	Rental income or (loss)	710,233			
	d	Net rental income or (loss)	710,233		710,233	
	7a	Gross amount from sales of assets other than inventory	(i) Securities 63,871,121	(ii) Other 10,400		
	b	Less cost or other basis and sales expenses	62,447,349	115,419		
	c	Gain or (loss)	1,423,772	-105,019		
	d	Net gain or (loss)	1,318,753			1,318,753
	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		-64,359		-64,359
		Miscellaneous Revenue	Business Code			
	11a	Other Patient Services	900099	308,556	308,556	
	b	Research Clin Trial Inc	900099	531,826		531,826
	c	St George Residents Inc	900099	1,473,242		1,473,242
	d	All other revenue		556,141	99,329	456,812
	e	Total. Add lines 11a-11d		2,869,765		
	12	Total revenue. See Instructions	538,829,366	502,395,333	6,343,725	6,485,151

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.	6,134,110	2,393,845	3,740,265	
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.	187,315,931	156,483,729	30,832,202	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	4,622,014	3,861,230	760,784	
9	Other employee benefits.	27,179,215	22,705,516	4,473,699	
10	Payroll taxes.	14,122,827	11,798,210	2,324,617	
11	Fees for services (non-employees):				
a	Management.	945,664		945,664	
b	Legal.	2,957,035		2,957,035	
c	Accounting.	1,507,929		1,507,929	
d	Lobbying.	182,449	152,418	30,031	
e	Professional fundraising services. See Part IV, line 17.	0			
f	Investment management fees.	597,089		597,089	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	83,180,135	69,488,685	13,691,450	
12	Advertising and promotion.	1,285,541	1,073,941	211,600	
13	Office expenses.	6,778,473	5,662,736	1,115,737	
14	Information technology.	14,188,638	11,853,188	2,335,450	
15	Royalties.	0			
16	Occupancy.	12,180,326	10,175,444	2,004,882	
17	Travel.	498,380	416,347	82,033	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19	Conferences, conventions, and meetings.	248,751	207,807	40,944	
20	Interest.	4,634,380	3,871,561	762,819	
21	Payments to affiliates.	0			
22	Depreciation, depletion, and amortization.	31,654,838	26,444,452	5,210,386	
23	Insurance.	7,878,089	7,495,741	382,348	
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 Supplies	80,700,115	80,700,115		
b	Equipment Rent and Maint	9,051,258	7,561,421	1,489,837	
c	Professional Membership	2,784,037	2,325,785	458,252	
d					
e	All other expenses	0			
25	Total functional expenses. Add lines 1 through 24e.	500,627,224	424,672,171	75,955,053	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> 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)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		45,152	1	39,492
	2	Savings and temporary cash investments		58,648,181	2	46,694,493
	3	Pledges and grants receivable, net			3	0
	4	Accounts receivable, net		57,504,970	4	63,595,267
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	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			6	0
	7	Notes and loans receivable, net		3,884,061	7	2,476,284
	8	Inventories for sale or use		9,521,995	8	10,027,585
	9	Prepaid expenses and deferred charges		3,019,935	9	3,728,278
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a708,137,567			
	b	Less accumulated depreciation	10b356,467,852	303,587,586	10c	351,669,715
	11	Investments—publicly traded securities		244,739,925	11	204,327,199
	12	Investments—other securities See Part IV, line 11			12	0
	13	Investments—program-related See Part IV, line 11			13	0
	14	Intangible assets			14	0
	15	Other assets See Part IV, line 11		148,066,837	15	155,503,998
	16	Total assets. Add lines 1 through 15 (must equal line 34)		829,018,642	16	838,062,311
Liabilities	17	Accounts payable and accrued expenses		64,629,230	17	67,327,475
	18	Grants payable			18	
	19	Deferred revenue		3,011,210	19	3,183,583
	20	Tax-exempt bond liabilities		249,580,000	20	246,700,000
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		25,151,091	25	31,557,715
	26	Total liabilities. Add lines 17 through 25		342,371,531	26	348,768,773
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		400,930,008	27	412,096,873
	28	Temporarily restricted net assets		56,603,735	28	47,726,160
	29	Permanently restricted net assets		29,113,368	29	29,470,505
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		486,647,111	33	489,293,538
	34	Total liabilities and net assets/fund balances		829,018,642	34	838,062,311

Part XI Reconciliation 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	538,829,366
2	Total expenses (must equal Part IX, column (A), line 25)	2	500,627,224
3	Revenue less expenses Subtract line 2 from line 1	3	38,202,142
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	486,647,111
5	Net unrealized gains (losses) on investments	5	11,254,037
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	-46,809,752
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	489,293,538

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

SCHEDULE A

(Form 990 or 990EZ)

Department of the
Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

▶ 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 Danbury Hospital	Employer identification number 06-0646597
--	--

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	<input type="checkbox"/>	A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
2	<input type="checkbox"/>	A school described in section 170(b)(1)(A)(ii). (Attach Schedule E)
3	<input checked="" type="checkbox"/>	A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
4	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
7	<input type="checkbox"/>	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	<input type="checkbox"/>	A community trust described in section 170(b)(1)(A)(vi) (Complete Part II)
9	<input type="checkbox"/>	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	<input type="checkbox"/>	An organization organized and operated exclusively to test for public safety See section 509(a)(4).
11	<input type="checkbox"/>	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 <input type="checkbox"/> Type I b <input type="checkbox"/> Type II c <input type="checkbox"/> Type III - Functionally integrated d <input type="checkbox"/> Type III - Non-functionally integrated
e	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? (ii) A family member of a person described in (i) above? (iii) A 35% controlled entity of a person described in (i) or (ii) above?
h	<input type="checkbox"/>	Provide the following information about the supported organization(s)

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

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

Part II

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

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

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 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 Danbury Hospital	Employer identification number 06-0646597
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

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

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

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

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

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

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

Part II-A

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 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)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?		No	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c Media advertisements?		No	
d Mailings to members, legislators, or the public?	Yes		30
e Publications, or published or broadcast statements?		No	
f Grants to other organizations for lobbying purposes?	Yes		72,004
g Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		110,133
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i Other activities?	Yes		282
j Total Add lines 1c through 1i			182,449
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?		No	

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, Line 1i - Other Activities Description	Dues were paid to CHA in the amount of \$365,760,of which 15.79% of this amount or \$57,754 were expended on lobbying. AHA dues of \$60,254 had 23.65% or \$14,250 expended on lobbying activities. Both amounts are reflected on 1f.Only state and local officials were lobbied during 2014. As part of this miscellaneous office expense such as phone, computer supplies, refreshment etc. were incurred and were reflected on line #1i accordingly. Direct contact with legislators and state leaders were lobbied in support of maintaining patient access to essential services for both the uninsured and underinsured.

Part IV

[illegible]

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ 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.

Name of the organization Danbury Hospital	Employer identification number 06-0646597
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Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

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

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

1

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

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

2

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

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

3

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

4

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

5

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

☐ Yes☐ No

6

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

7

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

8

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

☐ Yes☐ No

9

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

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

1a

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

b

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

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

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

2

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

a

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

b

Assets included in Form 990, Part X▶ \$

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

Cat No 52283D

Schedule D (Form 990) 2013

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
- c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	
- 2a Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes ☐ No
- b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

☐

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

	(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a Beginning of year balance	1	1			
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	1	1			

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
- a Board designated or quasi-endowment ▶

b Permanent endowment ▶

c Temporarily restricted endowment ▶
- The percentages in lines 2a, 2b, and 2c should equal 100%
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- (i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		No
3a(ii)	Yes	
3b	Yes	
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
- 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		3,846,356		3,846,356
b Buildings		426,314,205	174,191,459	252,122,746
c Leasehold improvements		8,792,809	3,312,947	5,479,862
d Equipment		251,398,148	178,963,446	72,434,702
e Other		17,786,049		17,786,049
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶				351,669,715

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 V, Line 4 Intended uses of the endowment fund	The intended use of the endowment funds are to provide supplemental/sole financial support for a variety of Danbury Hospital programs and services. Examples include the funding for the operation of the research program, including reimbursement for capital purchases, educational costs, robotic equipment, Oncology and Pediatrics.

[illegible]

Additional Data

Software ID: 13000170
Software Version: 2013v4.0
EIN: 06-0646597
Name: Danbury Hospital

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

(a) Description	(b) Book value
(1) 457B Asset	358,333
(2) Bond Escrow Fund	1,868,637
(3) Bond Issuance Cost	3,953,148
(4) Bulk Accounts Net of Reserve	1,090,735
(5) Due From Related Parties	5,968,660
(6) Interest in WCHN Foundation, Inc	97,632,022
(7) Investment in VCA	327,777
(8) Investment in WCHIC, LTD	41,436,021
(9) Morrison Deposit	96,418
(10) Other Receivables	2,772,247

SCHEDULE F
(Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" to Form 990,
Part IV, line 14b, 15, or 16.
► Attach to Form 990. ► See separate instructions.
► Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
Danbury Hospital

Employer identification number
06-0646597

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

- 1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☐ No
- 2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.
- 3 Activites per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) CENTRAL AMER /CARIBBEAN	1	1	Revenue	Malpractice Ins	0
(2) CENTRAL AMER /CARIBBEAN	1	1	Investment	Malpractice Ins	41,436,021
(3) CENTRAL AMER /CARIBBEAN	1	1	Operating Expenses	Malpractice Ins	22,057,962
(4)					
(5)					
3a Sub-total	3	3			63,493,983
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)	3	3			63,493,983

Part II

Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									

- 2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶ _____
- 3 Enter total number of other organizations or entities ▶ _____

Part III

Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 16.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1

Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*

☒ Yes ☐ No
- 2

Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*

☐ Yes ☒ No
- 3

Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*

☒ Yes ☐ No
- 4

Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*

☐ Yes ☒ No
- 5

Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*

☐ Yes ☒ No
- 6

Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*

☐ Yes ☒ No

Additional Data

Software ID: 13000170
Software Version: 2013v4.0
EIN: 06-0646597
Name: Danbury Hospital

Part V Supplemental Information

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

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
Danbury Hospital

Employer identification number
06-0646597

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 <div><input type="checkbox"/> Applied uniformly to all hospital facilities</div> <div><input type="checkbox"/> Applied uniformly to most hospital facilities</div> <div><input type="checkbox"/> Generally tailored to individual hospital facilities</div>			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care <div><input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>40000 0000000 %</u></div>	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <div><input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other <u>60000 0000000 %</u></div>	3b	Yes	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		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)			9,039,410	2,660,046	6,379,364	1 270 %
b Medicaid (from Worksheet 3, column a)		69,636	79,652,594	47,302,675	32,349,919	6 460 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs		69,636	88,692,004	49,962,721	38,729,283	7 730 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	102	25,576	139,566		139,566	0 030 %
f Health professions education (from Worksheet 5)	51	648	19,750,234	6,185,809	13,564,425	2 710 %
g Subsidized health services (from Worksheet 6)	26	10,499	1,236,473	690,060	546,413	0 110 %
h Research (from Worksheet 7)	1	172	3,509,406	509,457	2,999,949	0 600 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			58,837		58,837	0 010 %
j Total Other Benefits	180	36,895	24,694,516	7,385,326	17,309,190	3 460 %
k Total Add lines 7d and 7j	180	106,531	113,386,520	57,348,047	56,038,473	11 190 %

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development	4		890		890	
3Community support						
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building	50		111,519		111,519	0.020 %
7Community health improvement advocacy	7		16,452		16,452	
8Workforce development						
9Other						
10Total	61		128,861		128,861	0.020 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?

1

Yes

2Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.

2

6,117,891

3Enter 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

1,025,679

4Provide 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

5Enter total revenue received from Medicare (including DSH and IME).

5

171,835,096

6Enter Medicare allowable costs of care relating to payments on line 5.

6

212,663,826

7Subtract line 6 from line 5. This is the surplus (or shortfall).

7

-40,828,730

8Describe 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

9aDid the organization have a written debt collection policy during the tax year?

9a

Yes

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

9b

Yes

Part IVManagement Companies and Joint Ventures

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

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

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)
Danbury Hospital

Name of hospital facility or facility reporting group

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

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?		9	Yes
10 Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>400 0000</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>600 0000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes
a <input checked="" type="checkbox"/> Income level			
b <input checked="" type="checkbox"/> Asset level			
c <input checked="" type="checkbox"/> Medical indigency			
d <input checked="" type="checkbox"/> Insurance status			
e <input checked="" type="checkbox"/> Uninsured discount			
f <input checked="" type="checkbox"/> Medicaid/Medicare			
g <input checked="" type="checkbox"/> State regulation			
h <input type="checkbox"/> Residency			
i <input type="checkbox"/> Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?		13	Yes
14 Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website			
b <input type="checkbox"/> The policy was attached to billing invoices			
c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices			
e <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility			
f <input checked="" type="checkbox"/> The policy was available upon request			
g <input checked="" type="checkbox"/> Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?		15	Yes
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a <input type="checkbox"/> Reporting to credit agency			
b <input type="checkbox"/> Lawsuits			
c <input type="checkbox"/> Liens on residences			
d <input type="checkbox"/> Body attachments			
e <input type="checkbox"/> Other similar actions (describe in 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? If "Yes," check all actions in which the hospital facility or a third party engaged		17	No
a <input type="checkbox"/> Reporting to credit agency			
b <input type="checkbox"/> Lawsuits			
c <input type="checkbox"/> Liens on residences			
d <input type="checkbox"/> Body attachments			
e <input type="checkbox"/> Other similar actions (describe in 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? If "No," indicate why	19 Yes	
a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b <input type="checkbox"/> The hospital facility's policy was not in writing		
c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d <input type="checkbox"/> Other (describe in Part VI)		

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

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

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.

[illegible]

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? 20

Name and address	Type of Facility (describe)
1 See Additional Data Table	
2	
3	
4	
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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 - Related Organization Community Benefit Report	Part I, Line 6a & 6b The Community Benefit report is reported on a Network basis It contains the organizations community benefit programs and services descriptions and financial data The form is made available to the public on the Office of Health Care Access website http://www.ct.gov/dph/lib/dph/ohca/hospitalfillings/2012/irs990/nmilf990_hospital_2012.pdf

Form and Line Reference	Explanation
Part I, Line 7 - Explanation of Costing Methodology	Charity Care At Cost Percentage Total Gross Patient charges written off to charity (Income Statement) * Patient Cost to Charge % (see below) = Total Community Benefit Expense Total Community Benefit Expenses - Revenue from Uncompensated Care Pools and programs (DHS * % of cost of uncompensated care shown on the OCHA Schedule 500) = Net community benefits expensesNet community benefits expenses * total expenses = % of total expensesRatio Cost To Charge CalculationTotal Operating Expenses divided by Adjusted Patient Care Cost (Bad Debt, Other Operating Income and Intercompany Income are removed from the total operating expenses) Adjusted Patient Care Cost divided by Gross Patient Charges=Ratio of patient care costs to charges

Form and Line Reference	Explanation
Part I, Line 7g - Costs Associated With Physicans Clinics	Part I, Line 7g - Costs Associated With Physicans ClinicsThere are no physician clinics included in this amount

Form and Line Reference	Explanation
Part III, Line 2 - Methodology Used To Estimate Bad Debt Expense	The ratio of cost to charges is applied to the bad debt expense on the audited financial statements

Form and Line Reference	Explanation
Part III, Line 3 - Methodology of Estimated Amount & Rationale for Including in Community Benefit	It is the policy of the Hospital to provide necessary care to all persons seeking treatment without discrimination on the grounds of age, race, creed, national origin or any other grounds unrelated to an individual's need for the service or the availability of the needed service at the Hospital. A patient is classified as a charity care patient by reference to established policies of the Hospital. Essentially, these policies define charity services as those services for which no payment is anticipated. In assessing a patient's inability to pay, the Hospital utilizes the generally recognized federal poverty income guidelines, but also includes certain cases where incurred charges are significant when compared to a responsible party's income and their countable assets. Those charges are not included in net patient service revenue for financial reporting purposes. Because the hospital is not paid for these services, they are considered to be community benefit. When private pay patients are sent to the collection agency their account is considered to be a bad debt. Subsequently, Medicaid may be granted for some of those patients. At that time those accounts would become charity care or a community benefit.

Form and Line Reference	Explanation
Part III, Line 4 - Bad Debt Expense	<p>The Hospitals estimation of the allowance for uncollectible accounts is based primarily upon the type and age of the patient accounts receivable and the effectiveness of the Hospitals collection efforts. The Hospitals policy is to reserve a portion of all self-pay receivables, including amounts due from the uninsured and amounts related to co-payments and deductibles, as these charges are recorded. On a monthly basis, the Hospital reviews its accounts receivable balances and various analytics to support the basis for its estimates. These efforts primarily consist of reviewing the following:</p> <ul style="list-style-type: none"> Historical write-off and collection experience using a hindsight or look-back approach, Revenue and volume trends by payor, particularly the self-pay components, Changes in the aging and payor mix of accounts receivable, including increased focus on accounts due from the uninsured and accounts that represent co-payments and deductibles due from patients, Cash collections as a percentage of net patient revenue less the provision for bad debt, and Trending of days revenue in accounts receivable. <p>The amount of the allowance for uncollectible accounts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in Medicare and Medicaid health care coverage, and other collection indicators. The Hospital regularly performs hindsight procedures to evaluate historical write-off and collection experience throughout the year to assist in determining the reasonableness of its process for estimating the allowance for uncollectible accounts. The Hospitals primary concentration of credit risk is patient accounts receivable, which consists of amounts owed by various governmental agencies, insurance companies and private patients. The Hospital manages the receivables by regularly reviewing its patient accounts and contracts, and by providing appropriate allowances for uncollectible amounts.</p> <p>Significant concentrations of gross patient accounts receivable include 35% and 14%, and 32% and 13%, for Medicare and Medicaid, respectively, at September 30, 2014 and 2013, respectively.</p>

Form and Line Reference	Explanation
Part III, Line 8 - Explanation Of Shortfall As Community Benefit	Danbury Hospital's Medicare shortfall should be treated as a community benefit as the organization strives to provide 24/7 coverage, improved patient access, highest clinical quality as well as addressing the needs of the community by offering critical services to our geographic area As a result, the organization must balance the cost of these programs against the continued decreasing government reimbursement levels, uninsured population and community needs A cost accounting system is used to calculate the shortfall, which is Medicare Net Patient Revenue less applicable costs

Form and Line Reference	Explanation
Part III, Line 9b - Provisions On Collection Practices For Qualified Patients	<p>It is the policy of Danbury Hospital to provide "Financial Assistance" (either free care or reduced patient obligations) to persons or families where (i) there is limited or no health insurance available, (ii) the patient fails to qualify for governmental assistance (for example Medicare or Medicaid), (iii) the patient cooperates with the Hospital in providing the requested information, (iv) the patient demonstrates financial need, and (v) Danbury Hospital makes an administrative determination that Financial Assistance is appropriate. After the Hospital determines that a patient is eligible for Financial Assistance, the Hospital will determine the amount of Financial Assistance available to the patient by utilizing the Charitable Assistance Guidelines, which are based upon the most recent federal poverty guidelines. Danbury Hospital shall regularly review this Financial Assistance Policy to ensure that at all times it (i) reflects the philosophy and mission of the Hospital, (ii) explains the decision processes of who may be eligible for Financial Assistance and in what amounts, and (iii) complies with all applicable state and federal laws, rules, and regulations concerning the provision of financial assistance to indigent patients. Consistent with this mission, Danbury Hospital recognizes its obligation to the community it serves to provide financial assistance to indigent persons within the community. In furtherance of its charitable mission, Danbury Hospital will provide both (i) emergency treatment to any person requiring such care, and (ii) essential, non-emergent care to patients who are permanent residents of its primary service area who meet the conditions and criteria set forth in this Policy, without regard to the patients' ability to pay for such care. Elective procedures generally will not be considered essential, non-emergent care and usually will not be eligible for Financial Assistance. Danbury Hospital will collect from individuals on financial assistance if they received a partial charitable discount. All patients can apply for charitable care on balances they feel that they cannot afford.</p>

Form and Line Reference	Explanation
Part VI - Needs Assessment	<p>Part VI, Line 2 Needs Assessment The Community Forum was attended by 37 community stakeholders from the Housatonic Valley Region (HVR) This included representatives from 5 Health Departments/Districts (Danbury, New Milford, Bethel, Newtown, and Pomperaug), Western CT Health Network, Danbury EMS, the Bethel Visiting Nurse Association, the United Way of Western CT, the Regional YMCA, the Housatonic Valley Coalition Against Substance Abuse, the Mid-Western CT Council on Alcoholism, the AmerCares Free Clinic, the CIFIC Community Health Center, Doctors Express Urgent Care Center, the Regional Educational Service Center, the Danbury Fire Department, the New Milford Senior Center, and the Peter and Camen Lucia Buck Foundation Two community health conversations with key community stakeholders in October 2012 - held in two locations (Danbury and New Milford, CT) to ensure accessibility by key stakeholders throughout the region Attendees included a total of 52 representatives from hospitals, community health centers, school-based health centers, Visiting Nurse Associations/Services, municipal health, education, social service, senior centers and fire departments, non-profit organizations, and a legislators office Geographically, all 10 HVR municipalities were represented either directly or through regional agencies and organizations The Western CT Health Network (of which Danbury Hospital is a part) conducted a Physician Resource Assessment to evaluate the supply of healthcare providers within its combined service area towns This is done to document community need for healthcare providers, and to develop a plan to the healthcare needs of the community served Through Western CT Health Networks annual Planning Process, an environmental assessment is conducted to identify healthcare gaps and needs of the service area community brought about by local and national trends in economic, legislative, demographic, healthcare industry and other environmental factors These forces are incorporated in meeting the healthcare needs of the community by helping to frame the priorities, goals and initiatives of Western CT Health Networks long range and annual strategic plans</p>

Form and Line Reference	Explanation
Part VI - Patient Education of Eligibility for Assistance	PART VI,LINE 3 The Hospital has messages on all statements providing information regarding how the patient can get assistance with their hospital bill Also signs are posted throughout the hospital and counselors are available to provide further assistance All uninsured inpatients are interviewed by financial counselors and assessed for eligibility for assistance programs The hospital provides informational handouts to all uninsured patients at the time of registration which refers them to financial counseling if they would like assistance with their bills Further, the hospital mails notices to all self-pay accounts referring them to financial counseling if they need assistance The collection department will also refer patients to financial counseling when a patient indicates that they cannot afford their balances, and finally, schedulers refer uninsured patients to financial counseling prior to their test or procedure The policy and applications for assistance are also available online

Form and Line Reference	Explanation
Part VI - Community Information	Part VI, Line 4 Community Information Danbury Hospital serves an area with a population of about 280,000 people The Primary Service Area includes Danbury, Bethel, Newtown, Ridgefield, Southbury, Brookfield and New Fairfield (in CT), and the Secondary Service Area includes New Milford, Redding, Woodbury, and Sherman (in CT) and Brewster and Pawling (in NY) This service area is comprised of a densely populated core of the urban/suburban City of Danbury surrounded by moderately affluent residential and rural towns New Milford Hospital (also part of Western CT Health Network) is the one other general medical/surgical hospital located in this service area This area is home to a diverse socio-economic population, from the affluent to the medically underserved, Danbury is listed as a Medically Underserved Area, or MUA Danbury has a median household income of \$66,281, and a poverty rate of 10.1% The uninsured population rate is estimated to be 1.4% Although the population of the primary and secondary service areas is expected to remain virtually level from 2010 to 2015, the cohort aged 65 and over is expected to increase by 3.29%, while the age 20-44 age cohort is forecast to decline 0.63% over the same time period

Form and Line Reference	Explanation
Part VI - Community Building Activities	<p>Part II Community Building Activities Relates to Line #6, Coalition Building, totalling \$111,519 Western Connecticut Health Network (WCHN) participates as a member of a regional collaborative representing the Housatonic Valley Region and ten municipalities A Steering Committee comprised of health care providers, community-based providers, and local government agencies met quarterly to oversee a community health improvement plan (CHIP) that was developed utilizing data from a report card and previous community conversations that focused on four priority health indicators (PHI) Each indicator has objectives, strategies and work groups that carry out these objectives The four PHI workgroups have designated a leader and met at least quarterly to further develop and refine their action plans During April 2014 the Center for Health Schools & Communities @ Education Connection facilitated a Community Forum to provide a feedback loop to community stakeholders Overall, data obtained from the Conversations provided high quality information to frame the beginning of a community health improvement change process in the region 1 Prevention and Education of Most Prevalent Chronic Diseases/Health Conditions Obesity, Type 2 diabetes, and hypertension were identified as the most prevalent health conditions in the community The PHI team goals are to increase healthy eating options, enhance access to physical activities, and promote a universal healthy lifestyle In July 2014, the PHI team received the YMCA Diabetes Prevention Program Grant which was used to fund their diabetes prevention program The team also participated in National Walk Day, which garnered over 150 people from the Housatonic Valley Region and formation of 3 community walking groups A wellness campaign building on the 5, 2, 1, 0 Lets Go messaging and collaboration with health providers, schools and businesses is being developed 2 Improving Access/Utilization to Substance Abuse and Mental Health Services Mental health issues and substance abuse continue to be prevalent issues in the community This PHI team is collaborating with 12 Local Prevention Councils, the CT Prevention Framework, and other entities to increase outreach efforts Their goals are to identify gaps in services and access, provide education, and increase awareness regarding services and programs There is awareness to vulnerable target groups in need of enhanced services and supports, such as the homeless population and youth The team worked to improve education and information dissemination, and supported integration of a question-persuade-refer model for suicide prevention 3 Improve Assessment and Service Planning to Senior Health Senior citizens, particularly homebound elderly and immigrants, are in need of assessment and service planning to address their health, housing, and social support needs The main goal is to increase awareness, services, and education for senior health This team is supporting and collaborating with the Aging in Place initiatives funded by the Peter and Carmen Lucia Buck Foundation, which includes the Safe at Home program that delivers home safety items to seniors 4 Improve Awareness and Utilization of Existing Health and Social Programs/Services This team focused on enhancing awareness and utilization of existing programs and services in the community, including support of Infoline 2-1-1 and 5 Health Access CT Assistor sites by target populations It also established a partnership with FamilyWize to provide promotional materials for distribution to health providers and key community sites The individual CHIP Steering Committee members, including WCHN, support the importance of shared commitment and responsibility in development and execution of its recommended action plans for health improvement Relates to Line #2, Economic Development and Line #7, Community Health Improvement Advocacy totalling \$17,342 Part II Community Health Improvement Advocacy Largely state and local elected officials and agency heads were lobbied in support of maintaining patient access to essential services for the uninsured and underinsured As part of this effort, miscellaneous expenses are noted in Part II-B 11</p>

Form and Line Reference	Explanation
Part VI - Explanation Of How Organization Furthers Its Exempt Purpose	Part VI, Line 5 Promotion of community health Danbury Hospital served 39,440 persons through over 185 health events One of the highest impactoutreach activities includes 18,498 individuals served through health fairs Attendees were offered cancer and blood pressure screenings, and received information on topics ranging from integrative medicine, nutrition, orthopedic advancements and Lyme Disease Over 50% of the Board Members are independent and do not get paid by Danbury Hospital Danbury Hospital also has an open medical staff Surplus funds are used to provide innovative technology to clinical care in addition to expanding our service area

Form and Line Reference	Explanation
Part VI - Affiliated Health Care System Roles and Promotion	<p>Western Connecticut Health Network (WCHN) is an integrated health care delivery system comprised of three community hospitals and their affiliated entities. In addition to Danbury, New Milford and Norwalk Hospitals, the continuum of care includes a large medical group, home health care services, a nationally renowned biomedical research institute, the WCHN and Norwalk Hospital Foundations, and other related affiliates. WCHN's mission is to improve the health of every person we serve through the efficient delivery of excellent, innovative and compassionate care. For 2014, WCHN provided \$10,362,060 in total charity care. Danbury, New Milford and Norwalk Hospitals provide medical services to the community regardless of the individual's ability to pay. Services include routine inpatient ancillary and outpatient care in support of the hospital's mission statement, to improve the health and well-being of those we serve. For 2014, WCHN provided charity care in the following amounts: Norwalk Hospital \$4,331,000, Danbury Hospital \$4,731,000, and New Milford Hospital \$346,000. Western Connecticut Medical Group/Norwalk Hospital Physicians & Surgeons. The mission of Western Connecticut Medical Group is to provide safe, innovative, convenient and coordinated primary and specialty health care in the communities they serve and strive to be aware of and respond to their patients' needs. They support a commitment to advance the health and well-being of individuals in their community by delivering quality care, participating in medical research and medical residency programs and the provision of medical services to patients. For 2014, WCMG/NHP&S provided \$880,627 in charity care. Western Connecticut Health Network Foundation Inc.'s mission is to raise funds, reinvest and administer these funds and make distributions to Danbury Hospital and other not-for-profit health care affiliates. Western Connecticut Health Network Affiliates' principal purpose is to provide outpatient health care services in various locations and also provide ambulance services to Danbury and surrounding towns, while serving those that cannot afford the care. For 2014, WCHN Affiliates provided \$1,454 in charity care. Western Connecticut Home Care, Inc. (WCHC) provides state-of-the-art clinical services ranging from pediatric patients to the elderly utilizing best practice in home care to meet the needs of their patients. For 2014, WCHC provided \$70,695 in charity care. Eastern New York Medical Services (ENYMS) was formed in April, 2013. The mission at ENYMS is to provide safe, innovative, convenient and coordinated primary and gastro health care in the communities we serve and strive to be aware of and respond to our patients' needs. For 2014, ENYMS provided \$1,284.</p>

Form and Line Reference	Explanation
Part VI - States Where Community Benefit Report Filed	CT

Form and Line Reference	Explanation
Part V - Explanation of Number of Facility Type	13 Diagnostic Centers4 Outpatient Physician Clinics1 Outpatient Surgical Center1 Rehabilitation Center1 Education Center

Additional Data

Software ID: 13000170
Software Version: 2013v4.0
EIN: 06-0646597
Name: Danbury Hospital

990 Schedule H, Supplemental Information

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
Part V, Line 3 - Account Input from Person Who Represent the Community	
Part V, Line 4 - List Other Hospital Facilities that Jointly Conducted Needs Assessment	Danbury Hospital, and its affiliate partner, New Milford Hospital, participated in the development of a Community Report Card for the Housatonic Valley Region, a 10-district municipality that includes Danbury and New Milford, CT
Part V, Line 14g - Other Means Hospital Facility Publicized the Policy	Danbury Hospital has messages on all statements providing information regarding how the patient can get assistance with their hospital bill. Counselors are also available to provide further assistance.

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

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?

Name and address	Type of Facility (describe)
Danbury Hospital Ridgefield Surg Ctr 901 Ethan Allen Highway Ridgefield, CT 06877	Outpatient Surgical Center
Breast Imaging Center 20 Germantown Road Danbury, CT 06810	Outpatient Surgical Center
Siefert & Ford Community Health Ctr 70 Main Street Danbury, CT 06810	Outpatient Surgical Center
Main Street Rehabilitation Center 235 Main Street Danbury, CT 06810	Outpatient Surgical Center
Danbury Hospital Sleep Lab II 25 Lake Avenue-Extension Danbury, CT 06810	Outpatient Surgical Center
Southbury Cardiovascular Diagnostics 22 Old Waterbury Road Southbury, CT 06488	Outpatient Surgical Center
Comm Ctr for Behaviorial Health 152 West Street Danbury, CT 06810	Outpatient Surgical Center
Pulmonary Services 33 Germantown Road Danbury, CT 06810	Outpatient Surgical Center
The Anticoagulation Center 41 Germantown Road Danbury, CT 06810	Outpatient Surgical Center
Physical Medicine Center of Southbury 22 Old Waterbury Road Suite 101 Southbury, CT 06488	Outpatient Surgical Center
Danbury Hospital Laboratory 79 Sandpit Road Danbury, CT 06810	Outpatient Surgical Center
Center for Child & Adol Treat 152 West Street Danbury, CT 06810	Outpatient Surgical Center
Danbury Hospital Laboratory Center of New Milford 120 Park Lane Suite A201 New Milford, CT 06776	Outpatient Surgical Center
Danbury Hospital Southbury Laboratory 22 Old Waterbury Road Suite 101 Southbury, CT 06488	Outpatient Surgical Center
Danbury Hospital Lab Ctr in Brookfield 60 Old New Milford Road Unit 1C Brookfield, CT 06804	Outpatient Surgical Center

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

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?

Name and address	Type of Facility (describe)
Danbury Hospital Diabetes Education Center 41 Germantown Road Danbury, CT 06810	Outpatient Surgical Center
Bethel Laboratory 68 Stony Hill Road Bethel, CT 06801	Outpatient Surgical Center
Ridgefield Specimen Collection Facility 10 South Street Ridgefield, CT 06877	Outpatient Surgical Center
Newtown Laboratory 14-18 Church Hill Road Newtown, CT 06470	Outpatient Surgical Center
Danbury Hospital Research Institute 131 West Street Danbury, CT 06813	Outpatient Surgical Center

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
Danbury Hospital

Employer identification number
06-0646597

Part I

Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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 6b Explanation of organization compensation contingent on net earnings from related or	Summary of Executive Incentive Plan The Plan is administered by the Executive Compensation Committee of Western Connecticut Health Network, Inc. Eligibility to participate in the Plan is limited to those who are in positions in which their decisions, actions and counsel significantly affect the operations of Western Connecticut Health Network, Inc. and its subsidiaries The Committee will establish the target award opportunity (expressed as a percentage of base salary) for each participant in the Plan Prior to the beginning of each Plan year, or as soon thereafter as practicable, performance measures are established for each participant in the Plan Incentive awards are modified or eliminated if the level of performance specified is not achieved Notwithstanding any other provision of the Plan, incentive awards can be affected based on individual executive performance
Part III, Additional Information	The organization relied on a related organization, Western Connecticut Health Network, Inc. which used the following methods described below to establish top management's compensation -Compensation committee -Independent compensation -Written employment contract -Compensation survey or study -Approval by board or compensation committee

Additional Data

Software ID: 13000170
Software Version: 2013v4.0
EIN: 06-0646597
Name: Danbury 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				
Carolyn McKenna Sr VP & General Counsel	(i) (ii)	311,531	100,034	1,958	12,750	32,218	458,491	
D DeBarba From 11 Exec VP & Pres	(i) (ii)	632,299	445,600	32,430	11,475	14,676	1,136,480	
Dawn Myles VP,Qual & Pat Sfty	(i) (ii)	213,493	60,034	985	17,850	8,146	300,508	
Donna Kaplanis Ass't Secretary	(i) (ii)	177,102	40,034	19,841	24,188	33,272	294,437	
John Borruso MD WCMG Physician	(i) (ii)	426,747	16,709	22,471	20,400	5,125	491,452	
John M MurphyMD Pres/CEO WCHN	(i) (ii)	821,391	412,534	9,936	12,750	41,737	1,298,348	
Joseph Campbell Chief Audit Compl Officer	(i) (ii)	215,536	45,034	4,090	22,950	39,177	326,787	
Kathleen A Dematteo Chief Information Officer	(i) (ii)	292,606	100,034	23,789	22,950	14,831	454,210	
Matthew A Miller MD SVP & Chief Medical Officer	(i) (ii)	441,938	170,034	34,909	25,500	23,143	695,524	
Michael Daglio Chief Operating Officer	(i) (ii)	346,710	125,034	1,046	15,300	32,124	520,214	
Moreen O Donahue Sr VP/Chief Nurse Officer	(i) (ii)	292,422	75,034	10,882	20,400	43,032	441,770	
Morris Gross VP of Facilities/Real Estate	(i) (ii)	248,611	60,034	4,925	25,500	27,526	366,596	
Phyllis F Zappala To 821 Sr VP Human Resources	(i) (ii)	697,301	125,071	24,837	22,950	16,509	886,668	
Ramin Ahmadi MD Dir of Educ /Res	(i) (ii)	256,260	65,034	1,697	12,750	32,038	367,779	
Ruth Gregory Director of Purchasing	(i) (ii)	143,231	15,034	2,393	15,978	11,870	188,506	
Sally Herlihy VP of Planning	(i) (ii)	234,306	80,034	2,163	17,850	33,250	367,603	
Steven H Rosenberg SVP/CFO,Treas	(i) (ii)	505,212	185,034	27,395	12,750	32,659	763,050	
Susan C Iovino To 712 Chief Learning Off	(i) (ii)	133,684		247,361	6,821	25,586	413,452	
William Delaney MD Physician	(i) (ii)	244,786	25,384	3,030	25,500	31,925	330,625	

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Danbury Hospital

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Employer identification number

06-0646597

Part I

Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A CHEFA RevBondsSeries H	06-0806186	20774UCL7	03-16-2006	40,924,665	See Part V For Purpose		X		X		X

Part II

Proceeds

		A		B		C		D	
1	Amount of bonds retired	1,945,000							
2	Amount of bonds legally defeased								
3	Total proceeds of issue	42,742,900							
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds	2,237,472							
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	603,787							
8	Credit enhancement from proceeds	828,469							
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	39,070,172							
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2007							
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X						
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III

Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?	X							
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?	X							
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?		X						
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	4 690 %							
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5	4 690 %							
7	Does the bond issue meet the private security or payment test?		X						
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X							

Part IV

Arbitrage

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

Part IV

Arbitrage (Continued)

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

Part V

Procedures To Undertake Corrective Action

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

Part VI

Supplemental Information. Provide additional information for responses to questions on Schedule K (see instructions).

Return Reference	Explanation
Part VI	Series HProceeds from the sales of Series H Bonds were used, together with other monies available to 1) finance a portion of the costs of the Series H project, 2) to fund capitalized interest, if any on the Series H Bonds, and 3) to pay certain costs of issuance and bond insurance premiums incurred in connection with the issuance of Series H Bonds Part II, Line #3 includes investment earnings of \$1,818,235 Part III, Line #4 Private Business Usage percentage of 4 69%, reflected on line #4 was not reduced by the remediation of \$1,945,000 The average Private Business Usage percentage over the life of the bond is only 3% Part IV, Line #2cThe date that the rebate computation was performed was March, 2014

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
Danbury Hospital

Employer identification number

06-0646597

Return Reference	Explanation
Form 990, Part VI, Line 2 Description of Business or Family Relationship of Officers, Directors, E	Richard Jabara and James Kennedy, both directors of Danbury Hospital have a business relationship

Return Reference	Explanation
Form 990, Part VI, Line 4 Description of Significant Changes to Organizational Documents	<p>On 1/1/2014, Western Connecticut Health Network (WCHN) became the sole corporate member of Norwalk Health Services Corporation, and a corporate affiliation was completed. The following significant changes were made to the Certificate of Incorporation of Danbury Hospital (the Corporation), during the fiscal year ending September 30, 2014:</p> <p>Article 3 The Corporation's sole member, Western Connecticut Health Network, Inc. (WCHN), will now have the ability to amend the Corporation's bylaws without first obtaining a vote of the Corporation's board of directors (the Board). By way of background, membership rights are delineated in this certificate and in the bylaws. Consistent with Connecticut law, the Board manages the affairs of the Corporation except to the extent that certain powers are reserved to WCHN. Please see Section 2.2 of the Bylaws for a full list of items requiring the consent of WCHN.</p> <p>Article 4 The revision to this article reflects that fact that the Corporation's registered agent has been changed since the Corporation last amended and restated its certificate of incorporation.</p> <p>Article 10 This article will be changed to eliminate the express requirement that an indemnitee obtain permission of the Corporation prior to initiating a proceeding for which indemnification is sought.</p> <p>The following significant changes were made to the bylaws of the Corporation, during the fiscal year ending September 30, 2014:</p> <p>Section 2.2 Revised the powers of the member company, WCHN, in section 2.2 to add:</p> <ul style="list-style-type: none"> -Approval of changes to qualified and non-qualified benefit plans - Approval of policies -Approval of quality, performance and credentialing standards -Approval of physician compensation methodology -Approval of transactions and unbudgeted expenditures in excess of \$2.0 million -Approval of any increases to the operating or capital budget <p>Section 2.2 was further amended to delete the requirement that WCHN approve procurement of insurance, appointment of auditors, legal counsel or consultants, managed care contracts, and filing of a certificate of need. Approval of a certificate of need is not legally required and WCHN is required to approve any changes in clinical services. Certain other approvals will not only be needed if the amount involved meets a stated dollar threshold. This section is also being amended to delete the requirement that the Corporation's approval of an action must be accomplished before WCHN's approval of the same action. This change will facilitate approvals when meeting cannot be scheduled to allow the Corporation to meet prior to WCHN's meeting.</p> <p>Section 3.2 The revision to this section reduces the number of the Corporation's directors who must also be serving as directors of WCHN. A majority overlap will no longer be required. Instead, at least two of the Corporation's directors must also serve on the board of directors of WCHN, The Danbury Hospital and The Norwalk Hospital Association.</p> <p>Section 3.5 The revision to this section clarifies that WCHN may request regular meetings of the Board.</p> <p>Section 4.1 The revisions to this section clarify that (i) WCHN's committees act as advisory committees to the Board and (ii) that a director must serve as the chair of any committee appointed by the Board.</p> <p>Section 4.3 The revision to this section clarifies that the Governance Committee will develop candidates to be nominated by the Corporation for membership on the board of directors of WCHN. The Governance Committee will also develop nominees to serve as the chairs of the Corporation's committees.</p> <p>Section 5.2 The revision to this section modifies the description of the Chair's duties to delete the requirement that the Chair lead the board of directors in setting the mission and strategic direction of the Corporation.</p> <p>Section 5.4 and 5.5 The revisions to these sections modify the officers of the Corporation. The Corporation will have a Chief Executive Officer, who shall be the President and CEO of WCHN, and a President, who shall be the same individual who serves as the President of the New Milford Hospital, Inc., and Norwalk Hospital Association.</p> <p>Section 7.4 The revision to this section clarifies that any notice given under these bylaws shall be deemed given when sent. Article V Allows the Chief Financial Officer of WCHN to serve as the Corporation's Treasurer, ex-officio. The Treasurer will have authority to exercise investment management decisions for the Corporation, provided that the Treasurer reports regularly to the directors and exercises such authority in accordance with the investment policies of the Corporation and in consultation with WCHN's Finance Committee.</p>

Return Reference	Explanation
<p>Form 990, Part VI, Line 7b</p> <p>Describe Decisions of Governing Body Approval by Members or Shareholders</p>	<p>Certain fundamental decisions to be undertaken by the Hospital require the approval of the Member a)The actions listed below , taken for the Hospital or in its capacity voting as a shareholder or member of a subsidiary ("Danbury Subsidiary") shall not require approval by the Board and are reserved solely to the Member -The amendment of the Hospital's bylaws,-The election or removal of a director,-Approval of investment policies,-Approval of the adoption of or amendment to any qualified or any non-qualified benefit plan,-Approval of the adoption of or any amendment to the policies and procedures governing a) indemnification of directors and officers of the Hospital or any Danbury Subsidiary, b) conflicts or dualities of interest, c) accounting and investment standards and practices and d) such other policies the Member may determine,-Approval of system-wide quality, performance and credentialing standards and procedures to which the Hospital or any Danbury Subsidiary is expected to adhere, and-Approval of regulatory compliance and methodology for physician compensation arrangements The actions listed below , taken for the Hospital or in its capacity voting as a shareholder or member of a Danbury Subsidiary, which require approval of the Board, must also be approved by the Member -The election and removal of a director of a Danbury Subsidiary,-The election of the officers of the Hospital,-Approval of all operating and capital budgets of the Hospital and Danbury Subsidiary,-Approval of any amendment or restatement of the Hospital's certificate of incorporation, bylaws, or operating agreement of any Danbury Subsidiary,-Approval of any sale, lease, exchange, or other disposition of all or substantially all the property or assets of the Hospital or any Danbury Subsidiary,-Approval of the creation of any corporation of which the Hospital or a Danbury Subsidiary is the sole or controlling member or sole or controlling shareholder, the merger or consolidation of the Hospital or any Danbury Subsidiary with another corporation,and the reorganization, liquidation or dissolution of the Hospital or any Danbury Subsidiary,-Approval of any loans by the Hospital or any Danbury Subsidiary,or the incurring of any indebtedness, secured or unsecured, which exceeds two million dollars (\$2 0 million) or which has a term longer than one year,-Approval of unbudgeted expenditures in excess of two million dollars (\$2 0 million) or any increase in any approved annual operating or capital budget -Approval of any agreement or transaction of the Hospital or any Danbury Subsidiary involving an amount greater than two million dollars (\$2 0 million)with another individual or entity,-Approval of the affiliation of the Hospital or any Danbury Subsidiary with any other entity for the purposes of the joint conduct of business,-Creation of any committee which shall have the authority to act on behalf of the Board or on behalf of any Danbury Subsidiary,-Approval of any conveyance of, or the granting of mortgages or trusts on any real property assets of the Hospital or of any Danbury Subsidiary, and-Approval of any commencement, cessation, location, relocation or consolidation of significant clinical services provided by the Hospital or any Danbury Subsidiary</p>

Return Reference	Explanation
Form 990, Part VI, Line 11b Form 990 Review Process	Steven Rosenberg, CFO, will review the 990 prior to it being sent to the IRS. A preliminary 990, is presented to the Audit Committee in June, who reviews it on behalf of the Board. E&Y is on hand to review the 990 with the Audit Committee and answer any questions. Prior to the 990 being filed with the IRS, the Board will receive a full and accurate copy on a secured website for their review.

Return Reference	Explanation
<p>Form 990, Part VI, Line 12c</p> <p>Explanation of Monitoring and Enforcement of Conflicts</p>	<p>The Organization's Process for Monitoring and Enforcing Conflicts of Interest</p> <p>The Western Connecticut Health Network and its affiliates' (The Network) Conflict of Interest Policy provides that annually, its Representatives shall sign a statement affirming that they disclosed all potential conflicts, as documented in the Conflict of Interest Policy. In addition, General Counsel is part of the routine contracts review process and watches for potential conflicts with any of The Network's Representatives Who Is Covered By the Policy</p> <p>The Network's Conflict of Interest Policy covers each director, officer and manager of The Network, also referred to as "Representatives."</p> <p>Level At Which Determinations of Whether There Is a Conflict In connection with any actual or possible conflict of interest, an interested person must disclose the facts of the conflict. The Compliance Officer and the Audit Committee review and evaluate each disclosure to determine if there is a conflict of interest. After presentation of a potential transaction or arrangement is made by an interested person, the remaining disinterested Board or Committee members shall decide if a conflict of interest exist.</p> <p>Level That Reviews and Determines What To Do If There Is a Conflict</p> <p>After exercising due diligence the full Board would determine what actions should be taken for all conflicts by Officers and Directors. Any conflicts occurring by a manager are reviewed by the Compliance Committee to determine what further action should be taken.</p> <p>Restrictions on The Conflicted Person</p> <p>No director having a conflict of interest on any matter shall vote on that matter or be counted in determining the quorum for the meeting at which the vote is taken, even when permitted by law. No Representative having a conflict of interest on any matter shall use his or her personal influence on the matter. If the Board of Directors, in its sole discretion, determines that any Representative has conflicts of interest sufficient in number and/or importance that the effectiveness of such individual on behalf of The Network may be significantly impaired, the Board may ask the individual to resign.</p>

Return Reference	Explanation
Form 990, Part VI, Line 15a Compensation Review & Approval Process - CEO, Top Management	<p>Compensation of CEO In order to achieve its mission and its overall performance objectives, Western Connecticut Health Network, Inc. employs a performance-based total compensation program for its senior executives that is market competitive, compliant with regulatory guidelines, and representative of best practices. Eligible executives are generally direct reports of the CEO along with other executives designated by the CEO. To meet Western Connecticut Health Network Inc.'s total compensation objectives for executives, the following survey sources are used for comparison purposes -Blend of national Confidential Source, IHS, and Hay Group points healthcare data (where data available), plus 15% geographic differential. Title match data cuts selected based on revenue size -For Physician executives, surveys covering physician compensation in accredited medical schools (AAMC) are used in combination with proprietary surveys compiled by nationally known consulting firm, Sullivan Cotter and the Medical Group Management Association (MGMA). Western Connecticut Health Network, Inc. targets cash compensation at market competitive levels. Base salary plus short-term (annual) incentive awards (total cash) approximate market competitive levels for total cash compensation. Executive performance is expected to meet or exceed predetermined operational and financial metrics. Other factors, such as competitive market forces, job performance, unique qualifications, and/or individual job responsibilities are also considered in Western Connecticut Health Network, Inc.'s executive compensation decisions.</p> <p>Roles of the Committee on Governance and Key Executives in the Executive Compensation Process- The Committee on Governance in consultation with the CEO and the SVP HR selects the outside compensation consultants. The current consultant is the Hay Group, whose purpose is to provide a valid independent assessment of the relevant market rates and pay practices for healthcare executives, physician executives and for physicians in general - The compensation consulting firm compiles appropriate market data, job evaluation and ranking information for all executives and physicians of the organization, excluding the CEO, and will supply this material to the CEO and SVP HR for review and agreement. Once the report is final, it will be supplied to the Committee on Governance for their consideration and acceptance -The Committee on Governance determines the CEO's salary based on overall performance and market data supplied by the outside market consultant. The last executive compensation evaluation by an outside consultant was done in September, 2014.</p>

Return Reference	Explanation
Form 990, Part VI, Line 15b Compensation Review and Approval Process for Officers and Key Employees	Compensation for Other Officers and Key Employees Compensation review and approval process is identical to the process for the CEO and executives noted in 15A above

Return Reference	Explanation
Form 990, Part VI, Line 19 Other Organization Documents Publicly Available	The information that has been posted on Danbury Hospital's website for 2013 includes The most current audited financial statements Also included is the Code of Business Ethics, Information about our Compliance Program, and a copy of our policy regarding Preventing of Fraud, Waste and Abuse All governing documents required by law are made available upon request The conflict of interest policy is available upon request

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	CAPTIVE UBI = -\$99329

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Increases	CHANGE IN EQUITY INTEREST OF WCHNIC = \$16685537

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	CHANGE IN INVESTMENT OF WHNF = -\$8561009

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Increases	EQUITY TRANSFER FROM BSI = \$7618

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	EQUITY TRANSFER TO NMH-W/O OF INTERCOMPANY = -\$10412946

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	EQUITY TRANSFER TO WCHN-W/O OF INTERCOMPANY = -\$35980803

Return Reference	Explanation
Other Changes In Net Assets Or Fund Balances - Other Decreases	EQUITY TRANSFER TO WCMG-W/O OF INTERCOMPANY = -\$8448820

Return Reference	Explanation
FORM 990, PART IX, COLUMN D	ALTHOUGH CONTRIBUTIONS ARE REFLECTED ON LINE #1 OF PAGE #1 ON FORM 990, ALL FUNDRAISING EXPENSES WERE INCURRED BY THE WESTERN CONNECTICUT HEALTH NETWORK FOUNDATION, INC

Return Reference	Explanation
Form 990, Part VI, Line #6	Western Connecticut Health Network, Inc. is the sole member of Danbury Hospital

Return Reference	Explanation
Form 990, Part VI, Line 7A	The sole member shall be responsible for electing, at the annual meeting of the membership, the members of the Board of Directors of the Hospital to serve for three year terms and until their successors are elected and have qualified

Return Reference	Explanation
Form 990, Part VI, Section A, Line 1b	Neil Culligan, MD was not considered to be independent, since he received stipends during the year exceeding \$10,000

Return Reference	Explanation
FORM 990, PART VII (ADDT'L INFORMATION)	For those officers and top 5 employees, for which only 40 hours is noted to reflect paid hours, actual hours worked exceeded this amount Note All amounts in column F, of Part VII,"Estimated Amount of Other Compensation", represent benefits, and do not reflect any compensation for which the average amount of time worked can be reflected

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
Danbury Hospital

Employer identification number
06-0646597

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	No
See Additional Data Table							

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

Cat No 50135Y

Schedule R (Form 990) 2013

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) Disproporionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) New Milford MRI JV LLC 21 Elm Street New Milford, CT 06776 27-1877801	INACTIVE	CT	NMH	N/A				No			No	
(2) Ridgefield Surgical Center LLC 901 Ethan Allen HwySuite 105 Ridgefield, CT 06877 22-2594977	INACTIVE	CT	WCHN	N/A				No			No	
(3) Norwalk Surgery Center LLC 40 Cross Street 120 Norwalk, CT 06851 27-2394942	SURGERY CENTER	CT	NH	RELATED				No			No	

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	No
(1) Business Systems Inc 95 Locust Avenue Danbury, CT 06810 06-1119262	INACTIVE	CT	WCHN	C Corp				Yes	
(2) Medical Services of Danbury 24 Hospital Avenue Danbury, CT 06811 06-1635945	INACTIVE	CT	WCMG	C Corp				Yes	
(3) SWC Corporation 24 Stevens Street Norwalk, CT 06850 22-2577718	PHARMACY	CT	NHSC	C Corp				Yes	
(4) West CT Health Network Insur Co LTD 23 Lime Tree Bay PO Box 1051 Grand Cayman CJ 98-0438151	MALPRCTICE		DH	C Corp	23,289,920	123,702,901	100 000 %	Yes	
(5) Maple Street Indemnity Company LTD 40 Church St PO Box 2062 Hamilton, HM HX BD 98-0549862	MALPRCTICE		NHSC	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.

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

1

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

a

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

b

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

c

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

d

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

e

Loans or loan guarantees by related organization(s)

f

Dividends from related organization(s)

g

Sale of assets to related organization(s)

h

Purchase of assets from related organization(s)

i

Exchange of assets with related organization(s)

j

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

k

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

l

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

m

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

n

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

o

Sharing of paid employees with related organization(s)

p

Reimbursement paid to related organization(s) for expenses

q

Reimbursement paid by related organization(s) for expenses

r

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

s

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

Yes

No

1a

No

1b

Yes

1c

Yes

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

Yes

1k

Yes

1l

Yes

1m

Yes

1n

No

1o

Yes

1p

No

1q

Yes

1r

Yes

1s

Yes

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

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

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

[illegible]

Part VII

Supplemental Information

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

Return Reference	Explanation
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Additional Data

Software ID: 13000170

Software Version: 2013v4.0

EIN: 06-0646597

Name: Danbury 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) West CT Health Network Affiliates 95 Locust Avenue Danbury, CT 06810 22-2594968	OP HLTHCR SVC	CT	501(C)(3)	9	WCHN	Yes	
(1) Western CT Health Network Inc 24 Hospital Avenue Danbury, CT 06810 22-2594977	PROGRAM DEVL	CT	501(C)(3)	11, TYPE 2	NA		No
(2) West CT Health Network Foundation 24 Hospital Avenue Danbury, CT 06810 23-7425557	ADMIN CONTRIB	CT	501(C)(3)	7	WCHN	Yes	
(3) Western CT Home Care Inc 4 Liberty Street Danbury, CT 06810 06-0655138	HOME HLTHCARE	CT	501(C)(3)	9	WCHN	Yes	
(4) Western CT Medical Group Inc 14 Research Drive Suite 201A Bethel, CT 06801 06-1137531	PHYSICIAN SVC	CT	501(C)(3)	9	WCHN	Yes	
(5) The New Milford Hospital Inc 21 Elm Street New Milford, CT 06776 06-0669121	ACUTE CARE	CT	501(C)(3)	3	WCHN	Yes	
(6) Eastern NY Medical Services PC 14 Research Drive Suite 201A Bethel, CT 06810 45-5431389	PHYSICIAN SVC	NY	501(C)(3)	9	WCHN	Yes	
(7) The Norwalk Hospital Association 24 Stevens Street Norwalk, CT 06850 06-6068853	HEALTH SVCS	CT	501 (C) (3)	3	NHSC	Yes	
(8) Norwalk Hospital Phys and Surgeons 24 Stevens Street Norwalk, CT 06850 06-1522078	PHYSICIAN SVC	CT	501 (C) (3)	11, TYPE 2	NHSC	Yes	
(9) Norwalk Health Care Inc 24 Stevens Street Norwalk, CT 06850 22-2577722	INACTIVE	CT	501 (C) (3)	9	NHSC	Yes	
(10) Norwalk Health Services Corporation 24 Stevens Street Norwalk, CT 06850 22-2577711	SUPPORT SVCS	CT	501 (C) (3)	11, TYPE 2	WCHN	Yes	
(11) Norwalk Hospital Foundation 34 Maple Street Norwalk, CT 06850 22-2577708	ADMIN CONTRIB	CT	501 (C) (3)	7	NHSC	Yes	
(12) Advanced Ctr for Rehab Medicine 24 Stevens Street Norwalk, CT 06850 06-1304799	INACTIVE	CT	501 (C) (3)	11, TYPE 2	NHSC	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
West CT Health Network Affiliates	j	104,356	Cost
West CT Health Network Affiliates	l	170,719	Cost
West CT Health Network Affiliates	m	509,444	Cost
West CT Health Network Affiliates	q	5,246,313	Cost
West CT Health Network Affiliates	s	4,895,502	Cost
West CT Health Network Foundation	c	20,582,007	Cost
West CT Health Network Foundation	j	81,493	Cost
West CT Health Network Foundation	k	56,127	Cost
West CT Health Network Foundation	l	198,657	Cost
West CT Health Network Foundation	o	1,419,313	Cost
West CT Health Network Foundation	q	1,312,720	Cost
West CT Health Network Foundation	s	6,264,981	Cost
Western CT Home Care Inc	o	118,600	Cost
Western CT Home Care Inc	q	957,525	Cost
Western CT Home Care Inc	s	1,096,243	Cost
Western CT Medical Group Inc	b	8,448,820	Cost
Western CT Medical Group Inc	j	2,189,615	Cost
Western CT Medical Group Inc	l	2,680,656	Cost
Western CT Medical Group Inc	m	54,686,398	Cost
Western CT Medical Group Inc	o	288,770	Cost
Western CT Medical Group Inc	q	56,280,530	Cost
Western CT Medical Group Inc	s	1,587,501	Cost
The New Milford Hospital Inc	b	10,412,946	Cost
The New Milford Hospital Inc	l	484,884	Cost
The New Milford Hospital Inc	o	5,073,718	Cost

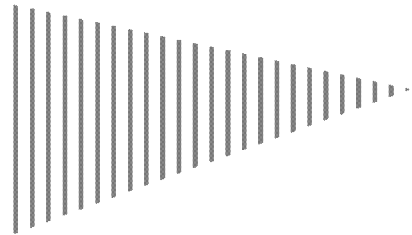
Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
The New Milford Hospital Inc	q	13,054,268	Cost
The New Milford Hospital Inc	s	11,982,842	Cost
Eastern NY Medical Services PC	m	455,100	Cost
Eastern NY Medical Services PC	q	178,866	Cost
The Norwalk Hospital Association	o	1,887,526	Cost
The Norwalk Hospital Association	q	613,334	Cost
The Norwalk Hospital Association	s	1,942,640	Cost
West CT Health Network Insur Co LTD	q	21,262,363	Cost
West CT Health Network Insur Co LTD	r	12,853,219	Cost
West CT Health Network Insur Co LTD	s	21,153,642	Cost

CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

The Danbury Hospital and Subsidiary
Years Ended September 30, 2014 and 2013
With Report of Independent Auditors

Ernst & Young LLP



Building a better
working world

The Danbury Hospital and Subsidiary

Consolidated Financial Statements
and Supplementary Information

Years Ended September 30, 2014 and 2013

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Report of Independent Auditors

The Board of Directors
The Danbury Hospital

We have audited the accompanying consolidated financial statements of The Danbury Hospital and Subsidiary, which comprise the consolidated balance sheets as of September 30, 2014 and 2013, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Western Connecticut Health Network Insurance Co., Ltd. (WCHNIC), a wholly-owned subsidiary, which statements reflect total assets constituting 13% and 8% as of September 30, 2014 and 2013, respectively, and total revenues constituting 4% in 2014 and 3% in 2013, respectively, of the consolidated totals. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for WCHNIC, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not

for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Danbury Hospital and Subsidiary at September 30, 2014 and 2013, and the consolidated results of their operations and changes in net assets and their cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating balance sheets and statements of operations are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Ernst & Young LLP

February 27, 2015

The Danbury Hospital and Subsidiary

Consolidated Balance Sheets

	September 30	
	2014	2013
Assets		
Current assets		
Cash and cash equivalents	\$ 49,109,529	\$ 59,531,409
Current portion of assets limited as to use	9,863,637	4,989,827
Accounts receivable, less allowance for uncollectible accounts of approximately \$13,480,000 in 2014 and \$14,833,000 in 2013	63,595,267	57,504,970
Current portion of due from related parties	7,417,177	7,022,757
Inventories	10,027,585	9,521,995
Prepaid expenses and other	23,639,322	13,488,041
Total current assets	163,652,517	152,058,999
Assets limited as to use		
Construction funds	—	45,694,876
Investments held by WCHNIC	97,159,849	58,410,610
Total noncurrent assets limited as to use	97,159,849	104,105,486
Investments	204,451,643	199,169,615
Other assets	782,530	195,559
Due from related parties	904,678	5,739,847
Interest in Western Connecticut Health Network Foundation, Inc	97,632,022	106,193,031
Property, plant, and equipment		
Land and land improvements	10,667,284	9,964,052
Buildings and building improvements	428,286,085	293,253,282
Equipment and other	251,398,149	222,804,495
Construction-in-progress (estimated cost to complete at September 30, 2014 \$12,424,000)	17,786,049	105,866,676
	708,137,567	631,888,505
Less accumulated depreciation	356,467,852	328,300,919
	351,669,715	303,587,586
Bond issuance costs, net	4,611,155	5,099,525
Total assets	\$ 920,864,109	\$ 876,149,648

	September 30	
	2014	2013
Liabilities and net assets		
Current liabilities		
Accounts payable	\$ 33,109,728	\$ 33,744,172
Payroll-related accruals	31,635,886	28,385,032
Due to third-party payors	14,656,782	8,710,030
Interest payable	1,791,204	1,706,774
Other accrued expenses	3,214,245	2,933,157
Current portion of long-term debt	4,925,000	2,880,000
Total current liabilities	89,332,845	78,359,165
Self-insurance liabilities	82,107,023	46,380,935
Other long-term liabilities	18,355,703	18,062,437
Long-term debt, less current portion	241,775,000	246,700,000
Total liabilities	431,570,571	389,502,537
Net assets		
Unrestricted	412,096,873	400,930,008
Temporarily restricted	47,726,160	56,603,735
Permanently restricted	29,470,505	29,113,368
Total net assets	489,293,538	486,647,111

Total liabilities and net assets	<u>\$ 920,864,109</u>	<u>\$ 876,149,648</u>
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See accompanying notes

The Danbury Hospital and Subsidiary

Consolidated Statements of Operations and Changes in Net Assets

	Year Ended September 30	
	2014	2013
Unrestricted revenues		
Net patient service revenue	\$ 521,477,663	\$ 518,977,309
Provision for uncollectible accounts	16,984,907	19,104,169
Net patient service revenue, less provision for uncollectible accounts	504,492,756	499,873,140
Net assets released from restrictions	5,665,862	5,221,901
Other operating revenues	25,623,700	18,807,540
	535,782,318	523,902,581
Expenses		
Salaries, benefits, and fees	300,891,797	298,251,765
Supplies and other	156,187,262	147,192,020
Insurance	21,591,676	15,709,626
Depreciation and amortization	31,682,167	30,033,213
Interest	4,557,028	3,984,131
	514,909,930	495,170,755
Income from operations	20,872,388	28,731,826
Nonoperating income (loss)		
Investment income, net	3,546,237	4,504,328
Change in unrealized gains and losses on investments	11,254,037	5,199,125
Change in equity interest in unrestricted net assets of the Western Connecticut Health Network Foundation, Inc	(40,571)	206,244
	14,759,703	9,909,697
Excess of revenues over expenses	35,632,091	38,641,523

Continued on next page.

The Danbury Hospital and Subsidiary

Consolidated Statements of Operations and Changes in Net Assets (continued)

	Year Ended September 30	
	2014	2013
Unrestricted net assets		
Excess of revenues over expenses (continued)	\$ 35,632,091	\$ 38,641,523
Change in equity interest of the Western Connecticut Health Network Foundation, Inc	—	(17,618)
Net assets released from restrictions for property, plant, and equipment	14,916,145	4,908,000
Transfer from Maple Street Indemnity Company, Ltd	15,453,580	—
Transfers to Western Connecticut Health Network, Inc	(54,834,951)	(28,604,162)
Increase in unrestricted net assets	11,166,865	14,927,743
Temporarily restricted net assets		
Change in equity interest of the Western Connecticut Health Network Foundation, Inc	(8,877,575)	26,809,647
Transfers from Western Connecticut Health Network Foundation, Inc	20,582,007	10,129,901
Net assets released from restrictions	(5,665,862)	(5,221,901)
Net assets released from restrictions for property, plant, and equipment	(14,916,145)	(4,908,000)
(Decrease) increase in temporarily restricted net assets	(8,877,575)	26,809,647
Permanently restricted net assets		
Change in equity interest of the Western Connecticut Health Network Foundation, Inc	357,137	288,622
Increase in permanently restricted net assets	357,137	288,622
Increase in net assets	2,646,427	42,026,012
Net assets at beginning of year	486,647,111	444,621,099
Net assets at end of year	\$ 489,293,538	\$ 486,647,111

See accompanying notes.

The Danbury Hospital and Subsidiary

Consolidated Statements of Cash Flows

	Year Ended September 30	
	2014	2013
Operating activities		
Increase in net assets	\$ 2,646,427	\$ 42,026,012
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	31,682,167	30,033,213
Change in unrealized gains and losses on investments	(11,254,037)	(5,199,125)
Decrease (increase) in equity interest in net assets of the Western Connecticut Health Network Foundation, Inc	8,561,009	(27,286,895)
Transfers from the Western Connecticut Health Network Foundation, Inc	(20,582,007)	(10,129,901)
Transfer from Maple Street Indemnity Company, Ltd	(15,453,580)	—
Transfers to Western Connecticut Health Network, Inc	54,834,951	28,604,162
Provision for uncollectible accounts	16,984,907	19,104,169
Increase in other long-term liabilities	293,266	652,217
Increase in self-insurance liabilities	4,295,930	4,063,268
Changes in operating assets and liabilities (<i>see Note 11</i>)	(25,319,649)	(1,354,605)
Net cash provided by operating activities	46,689,384	80,512,515
Investing activities		
Additions to property, plant, and equipment, net	(79,275,926)	(91,048,296)
Increase in due from related parties and transfers to Western Connecticut Health Network, Inc and affiliates	(50,394,202)	(24,463,516)
Drawdown of construction funds	45,694,876	54,857,441
Purchases and sales in investments, net	9,161,981	(23,361,751)
Net cash used in investing activities	(74,813,271)	(84,016,122)
Financing activities		
Payments of long-term debt	(2,880,000)	(1,555,000)
Transfers from the Western Connecticut Health Network Foundation, Inc	20,582,007	10,129,901
Net cash provided by financing activities	17,702,007	8,574,901
Net (decrease) increase in cash and cash equivalents	(10,421,880)	5,071,294
Cash and cash equivalents at beginning of year	59,531,409	54,460,115
Cash and cash equivalents at end of year	\$ 49,109,529	\$ 59,531,409

See accompanying notes.

The Danbury Hospital and Subsidiary
Notes to Consolidated Financial Statements

September 30, 2014

1. Summary of Significant Accounting Policies

Organization and Basis of Presentation

The Danbury Hospital (the Hospital) is a voluntary, nonprofit association incorporated under the General Statutes of the State of Connecticut, and is a member of Western Connecticut Health Network, Inc (the Network) The Board of the Hospital is appointed by the Network

The accompanying consolidated financial statements include the accounts of the Hospital and the Hospital's wholly owned subsidiary, Western Connecticut Health Network Insurance Co, Ltd (WCHNIC) All material intercompany transactions have been eliminated As a result of an affiliation agreement by and between the Network and Norwalk Health Services Corporation (NHSC), effective January 1, 2014, Maple Street Indemnity Company, Ltd (MSIC), NHSC's former wholly owned captive insurance company merged with WCHNIC on March 1, 2014 As a result, MSIC transferred cash of \$1,799,988, \$45,013,033 in investments, \$31,430,158 in unpaid claims liabilities, and other assets and liabilities, net of \$70,717, to WCHNIC

Use of Estimates

The preparation of financial statements in conformity with U S generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and related footnotes There is at least a reasonable possibility that certain estimates will change by material amounts in the near term Actual results could differ from those estimates

Regulatory Matters

The Hospital is required to file annual operating information with the State of Connecticut Office of Health Care Access

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with maturities of three months or less at date of purchase, other than amounts held in the investment portfolio and assets limited as to use Cash and cash equivalents are maintained with domestic financial institutions with deposits that exceed federally insured limits It is the Hospital's policy to monitor the financial strength of these institutions

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Investments

The Hospital's investment portfolio reported in the accompanying consolidated balance sheets is designated as trading, with realized and unrealized gains and losses included in the excess of revenues over expenses

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

Alternative investments (non-traditional, not-readily-marketable assets), some of which are structured such that the Hospital holds limited partnership interests, are reported based upon net asset value and derived from the application of the equity method of accounting. Individual investment holdings within the alternative investments may, in turn, include investments in both non-marketable and market-traded securities. Valuations of these investments and, therefore, the Hospital's holdings, may be determined by the investment manager or general partner, and for "fund of funds" investments are primarily based on financial data supplied by the underlying investee funds. Values may be based on historical cost, appraisals, or other estimates that require varying degrees of judgment. The Hospital accounts for these investments using the equity method of accounting and reports its share of the increase or decrease in the funds' value as investment gain or loss. The financial statements of the investees are audited annually by independent auditors, although the timing for reporting the results of such audits does not coincide with the Hospital's annual consolidated financial statement reporting

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Hospital has been limited by donors to a specific time frame or purpose. Temporarily restricted net assets primarily consist of contributions restricted for certain health care services. Permanently restricted net assets, which are primarily endowment gifts and assets held in trusts by others, have been restricted by donors and are to be maintained in perpetuity

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Assets Limited as to Use

Assets limited as to use represent assets set aside by the Board of Directors for the purpose of providing for future improvement, expansion, and replacement of plant and equipment, assets held by trustees under indenture agreements related to financing activities with the State of Connecticut Health and Educational Facilities Authority (CHEFA), and investments held by WCHNIC. Assets limited as to use are reported at fair value based upon quoted market prices. The portion of amounts required for funding current liabilities is included in current assets.

Patient Accounts Receivable

Patient accounts receivable result from the health care services provided by the Hospital. Additions to the allowance for uncollectible accounts result from the provision for uncollectible accounts. Accounts written off as uncollectible are deducted from the allowance for uncollectible accounts.

The Hospital's estimation of the allowance for uncollectible accounts is based primarily upon the type and age of the patient accounts receivable and the effectiveness of the Hospital's collection efforts. The Hospital's policy is to reserve a portion of all self-pay receivables, including amounts due from the uninsured and amounts related to co-payments and deductibles, as these charges are recorded. On a monthly basis, the Hospital reviews its accounts receivable balances and various analytics to support the basis for its estimates. These efforts primarily consist of reviewing the following:

- Historical write-off and collection experience using a hindsight or look-back approach
- Revenue and volume trends by payor, particularly the self-pay components
- Changes in the aging and payor mix of accounts receivable, including increased focus on accounts due from the uninsured and accounts that represent co-payments and deductibles due from patients
- Cash collections as a percentage of net patient revenue less the provision for uncollectible accounts
- Trending of days revenue in accounts receivable

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

The Hospital regularly performs hindsight procedures to evaluate historical write-off and collection experience throughout the year to assist in determining the reasonableness of its process for estimating the allowance for uncollectible accounts

The Hospital's primary concentration of credit risk is patient accounts receivable, which consists of amounts owed by various governmental agencies, insurance companies, and private patients

The Hospital manages the receivables by regularly reviewing its patient accounts and contracts, and by providing appropriate allowances for uncollectible amounts. Significant concentrations of gross patient accounts receivable include 35% and 14%, and 32% and 13%, for Medicare and Medicaid, respectively, at September 30, 2014 and 2013, respectively

Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost. The Hospital provides for depreciation of property, plant, and equipment using the straight-line method in amounts sufficient to depreciate the cost of the assets over their estimated useful lives. The useful lives range from 1 to 42 years.

Conditional asset retirement obligations amounted to \$179,212 and \$377,224 as of September 30, 2014 and 2013, respectively. These obligations are recorded in other long-term liabilities in the accompanying consolidated balance sheets. There are no assets that are legally restricted for purposes of settling asset retirement obligations. During 2014 and 2013, retirement obligations incurred and settled were minimal.

Bond Issuance Costs

Premium discounts and deferred costs related to the issuance of bonds are amortized over the period the obligation is outstanding, using the bonds outstanding method. Accumulated amortization of discounts and deferred costs was \$1,322,065 and \$1,019,449 at September 30, 2014 and 2013, respectively.

Inventories

The Hospital uses the first-in, first-out method, in the valuation of its inventory.

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Excess of Revenues Over Expenses

The consolidated statements of operations and changes in net assets include the excess of revenues over expenses as the performance indicator. Changes in unrestricted net assets, which are excluded from the excess of revenues over expenses include permanent transfers of assets to and from affiliates for other than goods and services, net assets released from restriction for purchases of property, plant, and equipment, and changes in the equity interest of the Western Connecticut Health Network Foundation, Inc. (WCHNF). The permanent transfer of assets includes transfers to the Network of \$54,834,951 and the transfer of net assets from MSIC of \$15,453,580, due to the merger of WCHNIC and MSIC, as previously described.

Transactions deemed by management to be ongoing, major, or central to the provision of health care services are reported within income from operations.

Fair Value of Financial Instruments

The carrying value of financial instruments classified as current assets and current liabilities as of September 30, 2014 and 2013, approximate fair value based on current market conditions. The fair values of other financial instruments are disclosed in the respective notes and/or in Note 4.

Pension Plan

The Hospital participates in a non-contributory defined benefit pension plan sponsored by the Network covering substantially all of its employees. Contributions are made to the plan in amounts sufficient to meet the Employee Retirement Income Security Act's minimum funding requirements. Net periodic pension income allocated to the Hospital was \$6,655,153 and \$2,550,276 for 2014 and 2013, respectively. In 2012, the defined benefit pension plan was frozen. As a result of the plan being frozen, the Network established a defined contribution plan for all employees. Pension expense related to the defined contribution plan was \$11,474,680 and \$9,825,094 for fiscal years 2014 and 2013, respectively.

The Network's defined benefit pension plan had estimated projected benefit obligations of \$556,602,668 and \$470,766,653 at September 30, 2014 and 2013, respectively, and the fair value of plan assets was \$482,883,555 and \$432,861,058 at September 30, 2014 and 2013, respectively. The discount rate used to determine the benefit obligation was 4.62% and 5.25% at September 30, 2014 and 2013, respectively.

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Income Taxes

The Hospital is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. The Hospital is also exempt from state and local taxes. WCHNIC is a foreign corporation exempt from U.S. taxation and is not subject to taxes under the Cayman Islands tax concessions law.

At September 30, 2014, the Hospital had net operating loss carryforwards from unrelated business activities of approximately \$44,283,000, which will begin expiring in 2018. A deferred tax asset for these losses of approximately \$17,713,000 is offset by a corresponding valuation allowance of the same amount due to the uncertainty of utilizing the deferred tax asset in future periods.

Interest in the Western Connecticut Health Network Foundation, Inc.

The interest in WCHNF represents the Hospital's interest in the net assets of the WCHNF and is accounted for in accordance with Accounting Standards Codification 958-20, *Not-for-Profit Entities – Financially Interrelated Entities* (see Note 10).

Electronic Health Record Incentive Program

The American Recovery and Reinvestment Act of 2009 provides for Medicare and Medicaid incentive payments beginning in calendar year 2011 for eligible hospitals and professionals that implement and achieve meaningful use of certified electronic health record (EHR) technology. The Hospital utilizes a grant accounting model to recognize EHR incentive revenues. Under this accounting policy, EHR incentive payments are recognized as revenues when attestation that the EHR meaningful use criteria for the required period of time was demonstrated. Accordingly, the Hospital recognized \$752,720 and \$1,832,059 of EHR revenues during its fiscal years ended September 30, 2014 and 2013, respectively, consisting of \$0 and \$271,467 of Medicaid revenues in 2014 and 2013, respectively, and \$752,720 and \$1,560,592 of Medicare revenues in 2014 and 2013, respectively. EHR revenues are included in other operating revenues in the accompanying consolidated statements of operations and changes in net assets.

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

The Hospital's attestation of compliance with the meaningful use criteria is subject to audit by the federal government or its designee. Additionally, Medicare EHR incentive payments received are subject to retrospective adjustment upon final settlement of the applicable cost report from which payments were calculated.

Other Operating Revenues

Other operating revenues consists primarily of the net premiums and interest income of WCHNIC, support service, services provided to other Network affiliates, grant income, and rental income of the Hospital.

Reclassifications

Certain 2013 amounts have been reclassified to conform to the 2014 presentation. These reclassifications are not material to the overall consolidated financial statements.

New Accounting Pronouncement

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The adoption of ASU 2014-09 is required on October 1, 2017, and management is currently evaluating the effect of this guidance on its consolidated financial statements.

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

2. Net Patient Service Revenue and Charity Care

The following summarizes net patient service revenue

	Year Ended September 30	
	2014	2013
Gross patient service revenue	\$ 1,291,510,052	\$ 1,231,890,672
Deductions		
Allowances	757,431,134	699,965,012
Charity care (at charges)	12,601,255	12,948,351
	770,032,389	712,913,363
Net patient service revenue	521,477,663	518,977,309
Provision for uncollectible accounts	16,984,907	19,104,169
Net patient service revenue less provision for uncollectible accounts	\$ 504,492,756	\$ 499,873,140

During 2014 and 2013, approximately 33% and 6%, and 33% and 7%, respectively, of net patient service revenue was received under the Medicare and Medicaid programs, respectively. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs. The Hospital believes it is in compliance with all applicable laws and regulations. Changes in the Medicare and Medicaid programs and the reduction of funding levels could have an adverse impact on the Hospital.

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. The difference is accounted for as allowances. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, fee-for-service, discounted charges, and per diem payments. Net patient service revenue is affected by the State of Connecticut Disproportionate Share program and is reported at the estimated net realizable amounts due from patients, third-party payors, and others for services rendered and includes estimated retroactive revenue adjustments due to ongoing and future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

2. Net Patient Service Revenue and Charity Care (continued)

such audits, reviews, and investigations. During 2014 and 2013, the Hospital recorded an increase (decrease) in net patient service revenue of approximately \$695,000 and (\$890,000), respectively, related to changes in previously estimated third-party payor settlements.

The Hospital has established estimates based on information presently available of amounts due to or from Medicare, Medicaid, and third-party payors for adjustments to current and prior year payment rates, based on industry-wide and Hospital-specific data. Such amounts are included in the accompanying consolidated balance sheets.

Patient service revenue, net of contractual allowances and charity care and before the provision for uncollectible accounts, recognized in the period from major payor sources is as follows:

	Year Ended September 30	
	2014	2013
Third-party payors	\$ 502,602,891	\$ 497,003,016
Self-pay patients	18,874,772	21,974,293
	\$ 521,477,663	\$ 518,977,309

It is the policy of the Hospital to provide necessary care to all persons seeking treatment without discrimination on the grounds of age, race, creed, national origin, or any other grounds unrelated to an individual's need for the service or the availability of the needed service at the Hospital. A patient is classified as a charity care patient by reference to established policies of the Hospital. Essentially, these policies define charity services as those services for which no payment is anticipated. In assessing a patient's inability to pay, the Hospital utilizes the generally recognized federal poverty income guidelines, but also includes certain cases where incurred charges are significant when compared to a responsible party's income. Those charges are not included in net patient service revenue for financial reporting purposes.

The estimated cost of charity care provided was approximately \$4,731,000 and \$4,954,000 for the years ended September 30, 2014 and 2013, respectively. The estimated cost of charity care is based on the ratio of cost to charges, as determined by hospital-specific data.

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

3. Investments and Assets Limited as to Use

The composition of investments and assets limited as to use is set forth in the following table

	September 30	
	2014	2013
Cash and cash equivalents	\$ 50,922,406	\$ 8,203,924
Money market funds	1,868,637	46,884,703
Common collective funds	81,247,283	75,185,245
Fixed income securities	16,122,947	52,070,347
Mutual funds	138,540,545	107,967,214
Alternative investments (at equity method)	22,773,311	17,953,495
	\$ 311,475,129	\$ 308,264,928

Investment income, net, included in non-operating income for the year ended September 30 consists of

	2014	2013
Interest and dividend income	\$ 2,713,804	\$ 2,683,955
Realized gains and losses, net and equity income on alternative investments	832,433	1,820,373
	\$ 3,546,237	\$ 4,504,328

4. Fair Values of Financial Instruments

For assets and liabilities required to be measured at fair value, the Hospital measures fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are applied based on the unit of account from the Hospital's perspective. The unit of account determines what is being measured by reference to the level at which the asset or liability is aggregated (or disaggregated) for purposes of applying other accounting pronouncements.

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

4. Fair Values of Financial Instruments (continued)

The Hospital follows a valuation hierarchy that is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs that are based on inputs not quoted in active markets, but corroborated by market data.

Level 3: Unobservable inputs that are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. In determining fair value, the Hospital uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible and considers nonperformance risk in its assessment of fair value.

Financial assets carried at fair value in the accompanying consolidated balance sheets are classified in the tables below in one of the three categories described above.

	September 30, 2014			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 49,109,529	\$ —	\$ —	\$ 49,109,529
Investments and assets limited as to use				
Cash and cash equivalents	50,922,406	—	—	50,922,406
Money market funds	1,868,637	—	—	1,868,637
Domestic equity				
Common collective funds	—	61,417,251	—	61,417,251
International equity				
Common collective funds	—	16,638,603	—	16,638,603
Fixed income				
Mutual funds	138,540,545	—	—	138,540,545
Securities	8,515,250	7,607,697	—	16,122,947
Other				
Common collective funds	—	3,191,429	—	3,191,429
	<u>\$ 248,956,367</u>	<u>\$ 88,854,980</u>	<u>\$ —</u>	<u>\$ 337,811,347</u>

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

4. Fair Values of Financial Instruments (continued)

	September 30, 2013			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 59,531,409	\$ —	\$ —	\$ 59,531,409
Investments and assets limited as to use				
Cash and cash equivalents	8,203,924	—	—	8,203,924
Money market funds	46,884,703	—	—	46,884,703
Domestic equity				
Common collective funds	—	56,495,340	—	56,495,340
International equity				
Common collective funds	—	15,744,898	—	15,744,898
Fixed income				
Mutual funds	107,967,214	—	—	107,967,214
Securities	39,965,010	12,105,337	—	52,070,347
Other				
Common collective funds	—	2,945,007	—	2,945,007
	<u>\$ 262,552,260</u>	<u>\$ 87,290,582</u>	<u>\$ —</u>	<u>\$ 349,842,842</u>

The amounts reported in the tables above do not include alternative investments totaling \$22,773,311 and \$17,953,495 at September 30, 2014 and 2013, respectively, which are accounted for under the equity method of accounting

Fair value for Level 1 is based upon quoted market prices. Fair value for Level 2 is based upon model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources including market participants, dealers, and brokers. Many of the investments categorized in Level 2 consist of shares or units in investment funds, as opposed to direct interests in the funds' underlying holdings, which may be marketable.

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

5. Long-Term Debt and Credit Facility

Long-term debt consisted of the following

	September 30	
	2014	2013
Hospital revenue bonds financed with CHEFA Series H	\$ 39,615,000	\$ 39,615,000
Intercompany debt with Western Connecticut Health Network, Inc	207,085,000	209,965,000
	246,700,000	249,580,000
Less current portion	4,925,000	2,880,000
	\$ 241,775,000	\$ 246,700,000

The following is a summary of the combined aggregate amount of maturities and sinking fund requirements of the aforementioned obligations at September 30, 2014, according to their long-term amortization schedule

2015	\$ 4,925,000
2016	5,485,000
2017	5,700,000
2018	5,930,000
2019	6,150,000
Thereafter	218,510,000
	\$ 246,700,000

The fair value of the Hospital's long-term debt as determined by the Hospital's investment advisor using a discounted cash flow analysis was approximately \$256,598,000 and \$250,296,000 at September 30, 2014 and 2013, respectively. These fair values are categorized as Level 2 in the fair value hierarchy described in Note 4. The Hospital paid interest of \$7,783,800 and \$7,661,698 in 2014 and 2013, respectively. The Hospital has capitalized interest of approximately \$3,311,000 and \$3,760,000 in 2014 and 2013, respectively. Debt service funds held under bond indenture agreements for Series H Bonds and Series N Bonds were \$1,868,637 and \$1,189,827 at September 30, 2014 and 2013, respectively.

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

5. Long-Term Debt and Credit Facility (continued)

The Series H revenue bonds (Series H Bonds) mature from 2030 through 2036 at an average coupon rate of 4.425%. The proceeds of the Series H Bonds were used for the construction, renovation, and equipping of an outpatient diagnostic building with approximately 28,000 square feet of medical office space, a 381-space parking garage, a 264-space surface parking lot, and to fund capitalized interest. The scheduled payment of principal and interest on the Series H Bonds when due is guaranteed by an insurance policy issued by a commercial insurer.

Under the terms of the Series H Bonds financing arrangements between the Hospital and WCHNF (the Obligated Group) and CHEFA, the proceeds of the revenue bonds were loaned to the Hospital. The Hospital is obligated to provide amounts sufficient to pay the principal and interest due on the Series H Bonds. The Master Indentures and Supplemental Master Indentures provide for the potential establishment and maintenance of a Debt Service Reserve Fund and a pledge of gross receipts, as defined. The Master Indentures also establish a debt service coverage ratio requirement and restricts the incurrence of certain indebtedness by the Obligated Group. No violations of financial covenants existed as of September 30, 2014 or 2013.

The Network holds four series of bonds. In 2011, the Obligated Group was expanded to include the Network, The New Milford Hospital, Inc. (New Milford Hospital), New Milford Hospital Foundation, Inc., and Western Connecticut Medical Group, P.C. In 2013, New Milford Hospital Foundation, Inc. was dissolved. All proceeds from the bonds were used to finance Hospital capital projects. All members of the Obligated Group are jointly and severally liable under the Master Indenture to make all payments required with respect to obligations under the Master Indenture. The bonds are reflected as intercompany debt in the schedule above, and include: The Series K 2011 revenue bonds (Series K Bonds) were issued in the amount of \$33,035,000. The Series K Bonds bear interest at a bank purchase rate (1.390% and 1.410% at September 30, 2014 and 2013, respectively) and mature serially from September 30, 2011 to September 30, 2036. The Series M 2011 revenue bonds (Series M Bonds) were issued in the aggregate principle of \$46,030,000, with interest payable initially on January 1, 2012, and semiannually on each January 1 and July 1 thereafter. The Series M Bonds bear interest at rates ranging from 5.000% to 5.375% and are scheduled to mature from July 1, 2031 to July 1, 2041. The Series M Bonds are also subject to annual sinking fund installments commencing in 2024 through scheduled maturity. The Series L 2011 Revenue Bonds (Series L Bonds) of \$96,000,000 were issued concurrently with Series M Bonds and are subject to annual sinking fund installments commencing July 1, 2015, and continuing through final maturity on July 1, 2041. The Series L Bonds bear interest at a bank purchase rate (1.298% and 1.319% at September 30, 2014 and

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

5. Long-Term Debt and Credit Facility (continued)

2013, respectively) The proceeds of the Series L Bonds and Series M Bonds are being used for funding the planning, design, acquisition, construction, equipping and furnishing of the Hospital's new patient tower, expansion of a parking garage, capital improvements, and to fund capitalized interest

In 2012, the Network issued Series N Bonds in the amount of \$39,880,000 and bear interest at rates between 3% and 5% The Series N Bonds mature serially from July 1, 2014 to July 1, 2029 The proceeds of the Series N Bonds were used to refund the Hospital's Series G Bonds

6. Commitments and Contingencies

Litigation

Malpractice claims have been asserted against the Hospital by various claimants The claims are in various stages of processing and some may ultimately be brought to trial In addition, the Hospital is a party to various lawsuits incidental to its business Management believes that the claims and lawsuits will not have a material adverse effect on the Hospital's financial position

Workers' Compensation Insurance

The Hospital is self-insured for workers' compensation benefits Liabilities of \$6,464,000 and \$6,468,000, using a discount rate of 5.6%, have been accrued as of September 30, 2014 and 2013, respectively, based on expected future payments pertaining to such years and are included in other long-term liabilities in the accompanying consolidated balance sheets

Operating Leases

The Hospital has several operating lease agreements for certain real estate and equipment Certain of these leases have renewal options for periods up to five years and escalation clauses Rent is payable in equal monthly installments Rent expense was \$8,087,581 and \$7,987,900 for the years ended September 30, 2014 and 2013, respectively

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

6. Commitments and Contingencies (continued)

The future minimum lease payments are as follows

2015	\$ 8,140,609
2016	7,324,330
2017	6,936,734
2018	6,262,007
2019	5,378,212
Thereafter	11,321,789
	<u>\$ 45,363,681</u>

7. Related Party Transactions

The Hospital has recorded amounts due from (to) related parties as follows

	September 30	
	2014	2013
Western Connecticut Health Network Affiliates, Inc	\$ 401,708	\$ 240,591
New Milford Hospital	4,067,261	8,136,248
Norwalk Hospital	558,219	—
Norwalk Hospital Foundation	17,567	—
Eastern New York Medical Services, P C	(177,810)	—
Business Systems, Inc	—	(8,466)
WCHNF	2,987,997	660,932
Western Connecticut Home Care, Inc	321,905	303,991
Western Connecticut Health Network, Inc	145,008	141,178
Western Connecticut Medical Group, P C	—	3,288,130
	<u>\$ 8,321,855</u>	<u>\$ 12,762,604</u>

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

7. Related Party Transactions (continued)

The Hospital earned income from related parties as follows

	Year Ended September 30	
	2014	2013
Western Connecticut Health Network Affiliates, Inc	\$ 104,356	\$ 93,470
Western Connecticut Medical Group, P C	2,189,615	1,842,891
WCHNF	81,493	77,528
New Milford Hospital	286,068	283,094
	<u>\$ 2,661,532</u>	<u>\$ 2,296,983</u>

Western Connecticut Medical Group, P C (WCMG) is a tax-exempt professional corporation which provides medical services to the Hospital. Charges for physician services provided to the Hospital by WCMG were \$54,686,388 and \$52,041,883 for the years ended September 30, 2014 and 2013, respectively. In 2014 and 2013, respectively, the Hospital transferred net assets of \$54,834,951 and \$28,604,162 to the Network primarily relating to funding the Hospital made to the defined benefit pension plan and benefits paid on their behalf as well as to fund WCMG and New Milford Hospital primarily relating to the payment of salaries, benefits, and accounts payable on their behalf.

In 2014 and 2013, respectively, WCHNF transferred net assets of \$20,582,007 and \$10,129,901 to the Hospital relating to restricted funds appropriated for spending.

8. Professional Liability Self-Insurance

Effective October 1, 2004, the Hospital formed a captive insurance company, WCHNIC, domiciled in the Cayman Islands, to provide alternative professional liability insurance to the Hospital and New Milford Hospital, as of October 1, 2010, WCMG and Norwalk Hospital and affiliates, as of March 1, 2014, as well as providing community doctors with a competitive professional liability insurance option. In addition, all claims prior to March 1, 2014, that were previously insured by MSIC were assumed through a loss portfolio transfer by WCHNIC, at which time all risk was assumed.

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

8. Professional Liability Self-Insurance (continued)

Coverage for medical malpractice insurance is on a claims-made basis. The coverage limits are \$5,000,000 per claim and \$25,000,000 in the aggregate. The excess indemnity coverage is \$40,000,000 per claim and \$40,000,000 in the aggregate. The Hospital has recorded a liability of \$9,899,000 and \$9,596,000 at September 30, 2014 and 2013, respectively, based on a discount rate of 3.5% for incurred-but-not-reported claims, which is included in other long-term liabilities on the accompanying consolidated balance sheets.

Assets held by WCHNIC approximate \$123,703,000 and \$68,030,000 as of September 30, 2014 and 2013, respectively, of which a majority is reflected as assets limited as to use in the accompanying consolidated balance sheets. Total liabilities recorded by WCHNIC approximate \$82,267,000 and \$46,411,000 as of September 30, 2014 and 2013, respectively, of which a majority is reflected as self-insurance liabilities in the accompanying consolidated balance sheets.

The reserve for losses and loss adjustment expenses for WCHNIC are included in self-insurance liabilities in the accompanying consolidated balance sheets. Activity in the reserve for losses and loss adjustment expenses for the years ended September 30, 2014 and 2013, is summarized as follows:

	2014	2013
Balance at beginning of year	\$ 46,294,520	\$ 39,513,628
Incurred related to		
Current period	17,017,358	9,715,410
Prior period	1,915,868	4,608,067
Total incurred	18,933,226	14,323,477
Paid related to		
Current period	(160,035)	(60,267)
Prior period	(14,506,446)	(7,482,318)
Total paid	(14,666,481)	(7,542,585)
Add: Transfer of unpaid losses from MSIC	31,430,158	—
Net provision for losses and loss adjustment expenses	\$ 81,991,423	\$ 46,294,520

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

8. Professional Liability Self-Insurance (continued)

Also included in self-insurance liabilities as of September 30, 2014 and 2013, are unearned premiums of \$115,600 and \$86,415, respectively

The actuary estimated the liability for unpaid losses based on industry data, as well as entity-specific data. Management considers the liability to be adequate as of September 30, 2014 and 2013, however, no assurance can be given that the ultimate settlement of losses may not vary materially from the liability recorded. Future adjustments to the amounts recorded resulting from the continual review process, as well as differences between estimates and ultimate payments, will be reflected in the consolidated statements of operations and changes in net assets of future years when such adjustments, if any, become known.

9. Net Assets

Temporarily restricted net assets of \$47,726,160 and \$56,603,735 as of September 30, 2014 and 2013, respectively, are available to the Hospital for health care services. Permanently restricted net assets total \$29,470,505 and \$29,113,368 as of September 30, 2014 and 2013, respectively, and are investments to be held in perpetuity, the income from which is expendable to support health care services.

10. Endowments

The WCHNF endowment consists of approximately 32 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported in the accompanying consolidated balance sheets based on the existence or absence of donor-imposed restrictions.

Leadership of WCHNF has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, WCHNF classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts 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 of the accumulation is added to the fund. The remaining portion of the donor-restricted endowment

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

10. Endowments (continued)

fund 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 organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, WCHNF considers the following factors in making a determination to appropriate or accumulate donor-restricted funds:

- (1) The duration and preservation of the fund
- (2) The purposes of WCHNF and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of WCHNF
- (7) The investment policies of WCHNF

WCHNF has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that WCHNF must hold in perpetuity or for a donor-specific period(s) as well as board-designated funds. Under this policy, as approved by The Network's Board of Directors, the endowment assets are invested in a manner that is intended to produce a real return, net of inflation and investment management costs, of at least 5% over the long term. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, WCHNF relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). WCHNF targets a diversified asset allocation to achieve its long-term objective within prudent risk constraints. Each year, the WCHNF Board of Directors will approve an endowment and similar fund spending rate. The objectives of the portfolio are the enhancement of capital and real purchasing power while limiting exposure to risk of loss. The endowment spending rate will be calculated on the 13 quarter trailing average market value of each portfolio as of the prior May 31. The computed value may be adjusted for large contributions, withdrawals, or market value swings as necessary. A default spending cap on appreciation of seven percent in any given year is currently in effect. The WCHNF Board abides by these regulations and will adjust this rate accordingly.

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

10. Endowments (continued)

Endowment net asset composition by type of fund as of September 30, 2014, consisted of the following

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ —	\$ 13,427,522	\$ 26,038,971	\$ 39,466,493
Board-designated endowment funds	9,785,387	—	—	9,785,387
Endowment net assets at end of year	<u>\$ 9,785,387</u>	<u>\$ 13,427,522</u>	<u>\$ 26,038,971</u>	<u>\$ 49,251,880</u>

Changes in endowment funds for the fiscal year ended September 30, 2014, consisted of the following

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at beginning of the year	\$ 9,114,504	\$ 15,272,502	\$ 25,789,214	\$ 50,176,220
Investment return	170,178	703,496	—	873,674
Investment income, net				
Change in unrealized gains and losses	500,705	2,174,932	—	2,675,637
Total investment return	670,883	2,878,428	—	3,549,311
Contributions	—	353,083	131,085	484,168
Appropriation of endowment assets for expenditures	—	(4,957,819)	—	(4,957,819)
Other changes				
Transfers to permanently restricted endowment	—	(118,672)	118,672	—
Endowment net assets at end of year	<u>\$ 9,785,387</u>	<u>\$ 13,427,522</u>	<u>\$ 26,038,971</u>	<u>\$ 49,251,880</u>

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

10. Endowments (continued)

Endowment net asset composition by type of fund as of September 30, 2013, consisted of the following

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ —	\$ 15,272,502	\$ 25,789,214	\$ 41,061,716
Board-designated endowment funds	9,114,504	—	—	9,114,504
Endowment net assets at end of year	<u>\$ 9,114,504</u>	<u>\$ 15,272,502</u>	<u>\$ 25,789,214</u>	<u>\$ 50,176,220</u>

Changes in endowment funds for the fiscal year ended September 30, 2013, consisted of the following

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at beginning of the year	\$ 8,357,137	\$ 13,820,607	\$ 25,696,434	\$ 47,874,178
Investment return				
Investment income, net	658,488	2,955,473	—	3,613,961
Change in unrealized gains and losses	98,879	409,998	—	508,877
Total investment return	757,367	3,365,471	—	4,122,838
Contributions	—	299,260	167,635	466,895
Appropriation of endowment assets for expenditures	—	(2,148,914)	(138,777)	(2,287,691)
Other changes				
Transfers to permanently restricted endowment	—	(63,922)	63,922	—
Endowment net assets at end of year	<u>\$ 9,114,504</u>	<u>\$ 15,272,502</u>	<u>\$ 25,789,214</u>	<u>\$ 50,176,220</u>

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

10. Endowments (continued)

From time to time, the fair value of assets associated with individual donor-restricted endowments funds may fall below the level fund of the corpus that UPMIFA requires WCHNF to retain as a fund of perpetual duration. These deficiencies result from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Directors. There were no deficiencies of this nature which were reported in unrestricted net assets for 2014 or 2013.

Also included within permanently restricted net assets is \$3,431,534 and \$3,324,154 of beneficial interests in trusts held by others as of September 30, 2014 and 2013, respectively.

11. Changes in Components of Working Capital Other Than Cash and Cash Equivalents

	Year Ended September 30	
	2014	2013
(Increase) decrease in operating assets		
Accounts receivable, net	\$ (23,075,204)	\$ (16,570,204)
Inventories	(505,590)	(188,623)
Prepaid expenses and other	(10,667,535)	1,412,833
	<u>(34,248,329)</u>	<u>(15,345,994)</u>
Increase (decrease) in operating liabilities		
Accounts payable	(634,444)	8,288,333
Interest payable	84,430	82,294
Payroll-related accruals	3,250,854	7,516,913
Due to third-party payors	5,946,752	(1,275,321)
Other accrued expenses	281,088	(620,830)
	<u>8,928,680</u>	<u>13,991,389</u>
Change in working capital other than cash and cash equivalents	<u>\$ (25,319,649)</u>	<u>\$ (1,354,605)</u>

The Danbury Hospital and Subsidiary

Notes to Consolidated Financial Statements (continued)

12. Functional Expenses

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

	Year Ended September 30	
	2014	2013
Health care services	\$ 430,165,149	\$ 413,105,237
General and administrative	84,744,781	82,065,518
	<u>\$ 514,909,930</u>	<u>\$ 495,170,755</u>

13. Other Operating Revenue

Other operating revenue consisted of the following:

	Year Ended September 30	
	2014	2013
Captive malpractice insurance premiums	\$ 14,521,599	\$ 7,313,048
Captive investment income	1,272,580	1,177,798
Rental income	3,264,808	2,895,594
Education	1,642,376	1,602,413
Grants	3,118,792	3,238,726
Research	478,467	209,902
EHR incentive payments	752,720	1,832,059
Other income	572,358	538,000
	<u>\$ 25,623,700</u>	<u>\$ 18,807,540</u>

14. Subsequent Events

Subsequent events have been evaluated through February 27, 2015, which represents the date the consolidated financial statements were issued. Except as disclosed below, no events have occurred that require disclosure in or adjustment to the consolidated financial statements.

On October 1, 2014, the Hospital received a single provider license to include New Milford Hospital. As a result, the operations of New Milford Hospital became a department of the Hospital effective October 1, 2014, and all assets and liabilities were transferred to the Hospital on that date. New Milford Hospital became an inactive entity as of October 1, 2014.

Supplementary Information

The Danbury Hospital and Subsidiary

Consolidating Balance Sheets

	September 30, 2014				September 30, 2013			
	The Danbury Hospital	Western Connecticut Health Network Insurance Co., Ltd	Adjustments and Eliminations	Total	The Danbury Hospital	Western Connecticut Health Network Insurance Co., Ltd	Adjustments and Eliminations	Total
Assets								
Current assets								
Cash and cash equivalents	\$ 46,609,541	\$ 2,499,988	\$ -	\$ 49,109,529	\$ 58,568,767	\$ 963,642	\$ -	\$ 59,531,409
Current portion of assets limited as to use	1,868,637	7,995,000	-	9,863,637	1,189,827	3,800,000	-	4,989,827
Accounts receivable less allowance for uncollectible accounts	63,595,267	-	-	63,595,267	57,504,970	-	-	57,504,970
of \$13,480,000 in 2014 and \$14,833,000 in 2013	7,540,267	-	(123,090)	7,417,177	7,036,124	-	(13,367)	7,022,757
Current portion of due from related parties	10,027,585	-	-	10,027,585	9,521,995	-	-	9,521,995
Im entories	7,591,258	16,048,064	-	23,639,322	8,631,701	4,856,340	-	13,488,041
Prepaid expenses and other	137,232,555	26,543,052	(123,090)	163,652,517	142,453,384	9,618,982	(13,367)	152,058,999
Total current assets								
Assets limited as to use	-	-	-	-	45,694,876	-	-	45,694,876
Construction funds	-	97,159,849	-	97,159,849	-	58,410,610	-	58,410,610
Im estment in WCHNHC	-	97,159,849	-	97,159,849	45,694,876	58,410,610	-	104,105,486
Total noncurrent assets limited as to use								
Im estments	204,451,643	-	-	204,451,643	199,169,615	-	-	199,169,615
Other assets	782,530	-	-	782,530	195,559	-	-	195,559
Due from related parties	904,678	-	-	904,678	5,739,847	-	-	5,739,847
Im estment in Western Connecticut Health Network								
Insurance Co., Ltd	41,436,021	-	(41,436,021)	-	21,618,215	-	(21,618,215)	-
Interest in Western Connecticut Health Network								
Foundation, Inc.	97,632,022	-	-	97,632,022	106,193,031	-	-	106,193,031
Property, plant, and equipment								
Land and land improvements	10,667,284	-	-	10,667,284	9,964,052	-	-	9,964,052
Buildings, and building improvements	428,286,085	-	-	428,286,085	293,253,282	-	-	293,253,282
Equipment and other	251,398,149	-	-	251,398,149	222,804,495	-	-	222,804,495
Construction-in-progress (estimated cost								
to complete at September 30, 2014 \$12,424,000)	17,786,049	-	-	17,786,049	105,866,676	-	-	105,866,676
	708,137,567	-	-	708,137,567	631,888,505	-	-	631,888,505
Less accumulated depreciation	356,467,852	-	-	356,467,852	328,300,919	-	-	328,300,919
Bond insurance costs, net	351,669,715	-	-	351,669,715	303,587,586	-	-	303,587,586
Total assets	4,611,155	-	-	4,611,155	5,099,525	-	-	5,099,525
	\$ 838,720,319	\$ 123,702,901	\$ (41,559,111)	\$ 920,864,109	\$ 829,751,638	\$ 68,029,592	\$ (21,631,582)	\$ 876,149,648

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The Danbury Hospital and Subsidiary
Consolidating Balance Sheets (continued)

	September 30, 2014				September 30, 2013			
	The Danbury Hospital	Western Connecticut Health Network Insurance Co., Ltd	Adjustments and Eliminations	Total	The Danbury Hospital	Western Connecticut Health Network Insurance Co., Ltd	Adjustments and Eliminations	Total
Liabilities and net assets								
Current liabilities								
Accounts payable	\$ 33,072,961	\$ 36,767	\$ -	\$ 33,109,728	\$ 33,727,097	\$ 17,075	\$ -	\$ 33,744,172
Payroll-related accruals	31,635,886	-	-	31,635,886	28,385,032	-	-	28,385,032
Due to affiliates	-	123,090	(123,090)	-	-	13,367	(13,367)	-
Due to third-party payors	14,656,782	-	-	14,656,782	8,710,030	-	-	8,710,030
Interest payable	1,791,204	-	-	1,791,204	1,706,774	-	-	1,706,774
Other accrued expenses	3,214,245	-	-	3,214,245	2,933,157	-	-	2,933,157
Current portion of long-term debt	4,925,000	-	-	4,925,000	2,880,000	-	-	2,880,000
Total current liabilities	89,296,078	159,857	(123,090)	89,332,845	78,342,090	30,442	(13,367)	78,359,165
Self-insurance liabilities	-	82,107,023	-	82,107,023	-	46,380,935	-	46,380,935
Other long-term liabilities	18,355,703	-	-	18,355,703	18,062,437	-	-	18,062,437
Long-term debt less current portion	241,775,000	-	-	241,775,000	246,700,000	-	-	246,700,000
Total liabilities	349,426,781	82,266,880	(123,090)	431,570,571	343,104,527	46,411,377	(13,367)	389,502,537
Net assets								
Share capital	-	12,000	(12,000)	-	-	12,000	(12,000)	-
Additional paid-in capital	-	12,863,333	(12,863,333)	-	-	8,663,332	(8,663,332)	-
Unrestricted	412,096,873	28,560,688	(28,560,688)	412,096,873	400,930,008	12,942,883	(12,942,883)	400,930,008
Temporarily restricted	47,726,160	-	-	47,726,160	56,603,735	-	-	56,603,735
Permanently restricted	29,470,505	-	-	29,470,505	29,113,368	-	-	29,113,368
Total net assets	489,293,538	41,436,021	(41,436,021)	489,293,538	486,647,111	21,618,215	(21,618,215)	486,647,111
Total liabilities and net assets	\$ 838,720,319	\$ 123,702,901	\$ (41,559,111)	\$ 920,864,109	\$ 829,751,638	\$ 68,029,592	\$ (21,631,582)	\$ 876,149,648

The Danbury Hospital and Subsidiary

Consolidating Statements of Operations and Changes in Net Assets

	September 30, 2014				September 30, 2013			
	The Danbury Hospital	Western Connecticut Health Network, Insurance Co., Ltd	Adjustments and Eliminations	Total	The Danbury Hospital	Western Connecticut Health Network, Insurance Co., Ltd	Adjustments and Eliminations	Total
Unrestricted revenues								
Net patient service revenue	\$ 521,477,663	\$ -	\$ -	\$ 521,477,663	\$ 518,977,309	\$ -	\$ -	\$ 518,977,309
Provision for uncollectible accounts	16,984,907	-	-	16,984,907	19,104,169	-	-	19,104,169
Net patient service revenue less provision for uncollectible accounts	504,492,756	-	-	504,492,756	499,873,140	-	-	499,873,140
Net assets released from restriction	5,665,862	-	-	5,665,862	5,221,901	-	-	5,221,901
Other operating revenues	9,829,521	23,289,920	(7,495,741)	25,623,700	10,316,694	13,846,966	(5,356,120)	18,807,540
	519,988,139	23,289,920	(7,495,741)	535,782,318	515,411,735	13,846,966	(5,356,120)	523,902,581
Expenses								
Salaries, benefits, and fees	300,891,797	-	-	300,891,797	298,251,765	-	-	298,251,765
Supplies and other	163,216,717	466,286	(7,495,741)	156,187,262	152,309,380	238,760	(5,356,120)	147,192,020
Insurance	-	21,591,676	-	21,591,676	-	15,709,626	-	15,709,626
Depreciation and amortization	31,682,167	-	-	31,682,167	30,033,213	-	-	30,033,213
Interest	4,557,028	-	-	4,557,028	3,984,131	-	-	3,984,131
	500,347,709	22,057,962	(7,495,741)	514,909,930	484,578,489	15,948,386	(5,356,120)	495,170,755
Income (loss) from operations	19,640,430	1,231,958	-	20,872,388	30,833,246	(2,101,420)	-	28,731,826
Nonoperating income (loss)								
Investment income, net	3,546,237	-	-	3,546,237	4,504,328	-	-	4,504,328
Change in unrealized gains and losses on investments	11,254,037	3,132,267	(3,132,267)	11,254,037	5,199,125	475,271	(475,271)	5,199,125
Loss on early extinguishment of debt	(40,571)	-	-	(40,571)	206,244	-	-	206,244
Change in equity interest in unrestricted net assets of the Western Connecticut Health Network Foundation, Inc.	16,685,537	-	(16,685,537)	-	(2,101,420)	-	2,101,420	-
Change in investment in WCHN/C	31,445,240	3,132,267	(19,817,804)	14,759,703	7,808,277	475,271	1,626,149	9,909,697
	\$ 51,085,670	\$ 4,364,225	\$ (19,817,804)	\$ 35,632,091	\$ 38,641,523	\$ (1,626,149)	\$ 1,626,149	\$ 38,641,523
Excess (deficiency) of revenues over expenses								

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