



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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 black lung benefit trust or private foundation)**  
 The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047  
**2010**  
**Open to Public Inspection**

**A For the 2010 calendar year, or tax year beginning 10-01-2010 and ending 09-30-2011**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization SPRING HARBOR HOSPITAL  Doing Business As  Number and street (or P O box if mail is not delivered to street address) Room/suite 123 ANDOVER ROAD  City or town, state or country, and ZIP + 4 WESTBROOK, ME 04092	<b>D</b> Employer identification number 01-0524834  <b>E</b> Telephone number (207) 761-2200  <b>G</b> Gross receipts \$ 32,233,478
<b>F</b> Name and address of principal officer DENNIS P KING 123 ANDOVER ROAD WESTBROOK, ME 04092		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)  <b>H(c)</b> Group exemption number
<b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (Insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
<b>J</b> Website: WWW SPRINGHARBOR ORG		
<b>K</b> Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		<b>L</b> Year of formation 1999 <b>M</b> State of legal domicile ME

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities SPRING HARBOR HOSPITAL OFFERS PEOPLE IN MENTAL HEALTH CRISIS HIGH-QUALITY, FOCUSED TREATMENT TO SUPPORT THEIR ONGOING RECOVERY			
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets			
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a) . . . . .	<b>3</b>		17
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) . . . . .	<b>4</b>		13
	<b>5</b> Total number of individuals employed in calendar year 2010 (Part V, line 2a) . . . . .	<b>5</b>		506
	<b>6</b> Total number of volunteers (estimate if necessary) . . . . .	<b>6</b>		13
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .	<b>7a</b>		0
	<b>b</b> Net unrelated business taxable income from Form 990-T, line 34 . . . . .	<b>7b</b>		
<b>Revenue</b>		<b>Prior Year</b>	<b>Current Year</b>	
	<b>8</b> Contributions and grants (Part VIII, line 1h) . . . . .	512,270	413,818	
	<b>9</b> Program service revenue (Part VIII, line 2g) . . . . .	31,372,997	31,742,462	
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	71,479	55,003	
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		13,104	
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	31,956,746	32,224,387	
<b>Expenses</b>				
	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3) . . . . .		0	
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) . . . . .		0	
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	21,606,624	21,316,294	
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) . . . . .		0	
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) <b>84,868</b>			
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) . . . . .	9,985,886	10,228,131	
	<b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	31,592,510	31,544,425	
	<b>19</b> Revenue less expenses Subtract line 18 from line 12 . . . . .	364,236	679,962	
<b>Net Assets or Fund Balances</b>		<b>Beginning of Current Year</b>	<b>End of Year</b>	
	<b>20</b> Total assets (Part X, line 16) . . . . .	33,228,255	37,113,459	
	<b>21</b> Total liabilities (Part X, line 26) . . . . .	25,061,476	28,293,180	
	<b>22</b> Net assets or fund balances Subtract line 21 from line 20 . . . . .	8,166,779	8,820,279	

**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.

<b>Sign Here</b>	Signature of officer _____ GREG BOWERS EXECUTIVE VP & TREASURER Type or print name and title	Date 2012-07-12
<b>Paid Preparer Use Only</b>	Preparer's signature _____ Firm's name MAINEHEALTH Firm's address 110 FREE ST PORTLAND, ME 041013908	Date 2012-07-13  Check if self-employed <input type="checkbox"/> PTIN Firm's EIN Phone no

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

**Part III Statement of Program Service Accomplishments**

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

**1** Briefly describe the organization's mission

SPRING HARBOR HOSPITAL OFFERS PEOPLE IN MENTAL HEALTH CRISIS HIGH-QUALITY, FOCUSED TREATMENT TO SUPPORT THEIR ONGOING RECOVERY

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

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

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

If "Yes," describe these changes on Schedule O

**4** Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts 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 \$ 13,069,550 including grants of \$ ) (Revenue \$ 15,127,832 )

ADULT SERVICES - ADULT TREATMENT FOCUSES ON RAPID STABILIZATION OF SYMPTOMS AND APPROPRIATE AFTERCARE FOR EACH PATIENT. TREATMENT INCLUDES A COMPREHENSIVE EVALUATION OF PERTINENT PSYCHIATRIC, PSYCHOLOGICAL, DEVELOPMENTAL, AND MEDICAL FACTORS. THE TEAM DEVELOPS AND IMPLEMENTS INDIVIDUALIZED TREATMENT PLANS AND ENLISTS COMMUNITY SUPPORT TO ENSURE APPROPRIATE FOLLOW-UP CARE FOR EACH PATIENT. SEE ATTACHED COMMUNITY BENEFIT REPORT FOR MAINE MENTAL HEALTH PARTNERS & SUBSIDIARIES

**4b** (Code ) (Expenses \$ 9,333,323 including grants of \$ ) (Revenue \$ 10,803,198 )

CHILD AND ADOLESCENT SERVICES -OUR 28 YOUTH BEDS SERVE CHILDREN AND ADOLESCENTS WHO REQUIRE ACUTE MENTAL HEALTHCARE AND SUBSTANCE ABUSE INTERVENTION. PROGRAMMING INCLUDES COMPREHENSIVE PSYCHIATRIC EVALUATION, INDIVIDUAL AND FAMILY THERAPY, RECREATIONAL AND GROUP THERAPY, MEDICATION MANAGEMENT, PARENT EDUCATION, AND ON-SITE ACADEMIC INSTRUCTION. THE UNITS SPECIALIZE IN THE TREATMENT OF DIAGNOSES COMMON TO YOUTH, INCLUDING ANXIETY, PSYCHOTIC OR DEPRESSIVE DISORDERS, OPPOSITIONAL/DEFIANT DISORDER, ATTENTION DEFICIT/HYPERACTIVITY DISORDER(ADD/ADHD), AND POST-TRAUMATIC STRESS DISORDER (PTSD)

**4c** (Code ) (Expenses \$ 4,546,604 including grants of \$ ) (Revenue \$ 5,262,635 )

DEVELOPMENTAL DISORDERS PROGRAM - THE STATE'S ONLY HOSPITAL PROGRAM FOR YOUTH WITH AUTISM AND MENTAL ILLNESS, THE DEVELOPMENTAL DISORDERS PROGRAM DELIVERS HIGH-QUALITY TREATMENT OUTCOMES THROUGH A COMBINATION OF EXPERT PROGRAMMING, SPECIALLY TRAINED CAREGIVERS, AND THE INDIVIDUAL POTENTIAL OF EACH PATIENT. THE PROGRAM OFFERS INTENSIVE TREATMENT FOR AGGRESSION, SELF-INJURY, IMPAIRMENT IN FUNCTIONING, AND MENTAL HEALTH CHALLENGES IN CHILDREN AGES 2 TO 21 WHO HAVE A DEVELOPMENTAL DISORDER AND CANNOT CURRENTLY FUNCTION SAFELY OUTSIDE THE HOSPITAL SETTING

**4d** Other program services (Describe in Schedule O ) **See also Additional Data for Description**  
 (Expenses \$ 474,129 including grants of \$ ) (Revenue \$ 548,797 )

**4e Total program service expenses** \$ 27,423,606

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A.</i>	Yes	
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)?	Yes	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I.</i>		No
<b>4 Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II.</i>	Yes	
<b>5</b> 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? <i>If "Yes," complete Schedule C, Part III.</i>		No
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I.</i>		No
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If "Yes," complete Schedule D, Part II.</i>	Yes	
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III.</i>		No
<b>9</b> Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV.</i>		No
<b>10</b> Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V.</i>	Yes	
<b>11</b> 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		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i>	Yes	
<b>b</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? <i>If "Yes," complete Schedule D, Part VII.</i>		No
<b>c</b> 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? <i>If "Yes," complete Schedule D, Part VIII.</i>		No
<b>d</b> 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? <i>If "Yes," complete Schedule D, Part IX.</i>		No
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>	Yes	
<b>f</b> 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)? <i>If "Yes," complete Schedule D, Part X.</i>	Yes	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i>		No
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.</i>	Yes	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i>		No
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?		No
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV.</i>		No
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S? <i>If "Yes," complete Schedule F, Parts II and IV.</i>		No
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S? <i>If "Yes," complete Schedule F, Parts III and IV.</i>		No
<b>17</b> 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? <i>If "Yes," complete Schedule G, Part I (see instructions).</i>		No
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II.</i>	Yes	
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III.</i>		No
<b>20a</b> Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H.</i>	Yes	
<b>b</b> If "Yes" to line 20a, did the organization attach its audited financial statement to this return? <b>Note.</b> Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	Yes	

**Part IV Checklist of Required Schedules** *(continued)*

<b>21</b>	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II . . . . .</i>	<b>21</b>		No
<b>22</b>	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III . . . . .</i>	<b>22</b>		No
<b>23</b>	Did the organization answer "Yes" to Part VII, Section A, questions 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>	<b>23</b>	Yes	
<b>24a</b>	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-24d and complete Schedule K. If "No," go to line 25 . . . . .</i>	<b>24a</b>		No
<b>b</b>	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	<b>24b</b>		
<b>c</b>	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	<b>24c</b>		
<b>d</b>	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	<b>24d</b>		
<b>25a</b>	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I . . . . .</i>	<b>25a</b>		No
<b>b</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>	<b>25b</b>		No
<b>26</b>	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II . . . . .</i>	<b>26</b>		No
<b>27</b>	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III . . . . .</i>	<b>27</b>		No
<b>28</b>	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)			
<b>a</b>	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>	<b>28a</b>		No
<b>b</b>	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>	<b>28b</b>		No
<b>c</b>	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>	<b>28c</b>		No
<b>29</b>	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . . . .</i>	<b>29</b>		No
<b>30</b>	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M . . . . .</i>	<b>30</b>		No
<b>31</b>	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . . . .</i>	<b>31</b>		No
<b>32</b>	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>	<b>32</b>		No
<b>33</b>	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>	<b>33</b>		No
<b>34</b>	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 . . . . .</i>	<b>34</b>	Yes	
<b>35</b>	Is any related organization a controlled entity within the meaning of section 512(b)(13)? . . . . .	<b>35</b>		No
<b>a</b>	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>			
<b>36</b>	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>	<b>36</b>		No
<b>37</b>	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>	<b>37</b>		No
<b>38</b>	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	<b>38</b>	Yes	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

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

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.		
<b>1a</b>	9		
<b>1b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.		
<b>1b</b>	0		
<b>1c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	
<b>2a</b>	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.		
<b>2a</b>	506		
<b>2b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	Yes	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year?		No
<b>3b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.		
<b>4a</b>	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)?		No
<b>b</b>	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
<b>5b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
<b>5c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
<b>6a</b>	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?		No
<b>6b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>7a</b>	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?		No
<b>7b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
<b>7c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
<b>7d</b>	If "Yes," indicate the number of Forms 8282 filed during the year.		
<b>7e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
<b>7f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
<b>7g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
<b>7h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>9a</b>	Did the organization make any taxable distributions under section 4966?		
<b>9b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter		
<b>10a</b>	Initiation fees and capital contributions included on Part VIII, line 12.		
<b>10b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter		
<b>11a</b>	Gross income from members or shareholders.		
<b>11b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?		
<b>12b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>13a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.		
<b>13b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.		
<b>13c</b>	Enter the amount of reserves on hand.		
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?		No
<b>14b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

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

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year . . . . .		
<b>1b</b>	Enter the number of voting members included in line 1a, above, who are independent . . . . .		
<b>2</b>	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? . . . . .		No
<b>3</b>	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? . . . . .		No
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	Yes	
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .		No
<b>6</b>	Does the organization have members or stockholders? . . . . .	Yes	
<b>7a</b>	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	Yes	
<b>7b</b>	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .	Yes	
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
<b>8a</b>	a The governing body? . . . . .	Yes	
<b>8b</b>	b Each committee with authority to act on behalf of the governing body? . . . . .	Yes	
<b>9</b>	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 . . . . .		No

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

		Yes	No
<b>10a</b>	Does the organization have local chapters, branches, or affiliates? . . . . .		No
<b>10b</b>	b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . .		
<b>11a</b>	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? . . . . .	Yes	
<b>11b</b>	b Describe in Schedule O the process, if any, used by the organization to review this Form 990 . . . . .		
<b>12a</b>	Does the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	Yes	
<b>12b</b>	b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	Yes	
<b>12c</b>	c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	Yes	
<b>13</b>	Does the organization have a written whistleblower policy? . . . . .	Yes	
<b>14</b>	Does the organization have a written document retention and destruction policy? . . . . .	Yes	
<b>15</b>	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?		
<b>15a</b>	a The organization's CEO, Executive Director, or top management official . . . . .	Yes	
<b>15b</b>	b Other officers or key employees of the organization . . . . . If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions )	Yes	
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .		No
<b>16b</b>	b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .		

**Section C. Disclosure**

- 17** List the States with which a copy of this Form 990 is required to be filed **ME**
- 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 make these available. Check all that apply.  
 Own website  Another's website  Upon request
- 19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization **ME**  
 MICHAEL ABBATIello CFO  
 78 ATLANTIC PLACE  
 SOUTH PORTLAND, ME 04106  
 (207) 761-2233

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

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

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

**1a** Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees 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, and 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 (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(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) RICHARD PETERSEN PRES & CEO	1 00	X					0	972,900	67,040	
(2) FRANCIS G MCGINTY TREASURER	1 00	X		X			0	619,679	42,055	
(3) DENNIS P KING PRESIDENT/CE	16 00	X		X			0	397,067	30,312	
(4) FRANK LAVOIE MD TRUSTEE	1 00	X					0	334,167	21,264	
(5) DAVID LAKARI CHAIR	3 00	X		X			0	0	0	
(6) SHERI BOULOS TRUSTEE	1 00	X					0	0	0	
(7) JANIS COHEN TRUSTEE	1 00	X					0	0	0	
(8) JAMES HARNAR TRUSTEE	1 00	X					0	0	0	
(9) NANCY HASENFUS MD TRUSTEE	1 00	X					0	0	0	
(10) TRACY HAWKINS VICE CHAIR	3 00	X		X			0	0	0	
(11) LESTER W HODGDON TRUSTEE	1 00	X					0	0	0	
(12) LISA C HOOK TRUSTEE	1 00	X					0	0	0	
(13) NANCY POND TRUSTEE	1 00	X					0	0	0	
(14) ANNA H WELLS SECRETARY	3 00	X		X			0	0	0	
(15) LESTER F WILKINSON JR TRUSTEE	1 00	X					0	0	0	
(16) JOHN SHOOS TRUSTEE	1 00	X					0	0	0	

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(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			
(17) ROGER F WOODMAN JR TRUSTEE	1 00	X						0	0	0
(18) GIRARD ROBINSON MD CHIEF MEDICA	12 00			X				0	354,418	28,489
(19) DONALD E QUIGLEY ASST SECRET	1 00			X				0	312,098	34,569
(20) GREGORY BOWERS EXEC VP & T	4 00			X				0	172,323	19,042
(21) RICHARD HANLEY COO	34 00			X				0	171,427	19,288
(22) MARY JANE KREBS CCO & CNO	22 00			X				0	169,440	19,281
(23) GAIL WILKERSON CHF PLAN &	8 00			X				0	112,419	17,121
(24) MARK FULTON ASSOCIATE MD	40 00					X		196,666	0	20,046
(25) MATTHEW SIEGEL MD PHYSICIAN	40 00					X		193,099	0	20,019
(26) WILLIAM BRENNAN MD PHYSICIAN	40 00					X		189,992	0	19,720
(27) JOHN MURPHY MD PHYSICIAN	40 00					X		187,388	0	20,123
(28) DANIEL HOLLIDAY MD PHYSICIAN	40 00					X		178,780	0	19,028
<b>1b Sub-Total</b>										
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>								945,925	3,615,938	397,397

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **5**

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
<b>4</b> 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>	Yes	
<b>5</b> 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>		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

(A) Name and business address	(B) Description of services	(C) Compensation

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **5**

**Part VIII Statement of Revenue**

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b> Federated campaigns . . . . . <b>1a</b>					
	<b>b</b> Membership dues . . . . . <b>1b</b>					
	<b>c</b> Fundraising events . . . . . <b>1c</b>					
	<b>d</b> Related organizations . . . . . <b>1d</b>					
	<b>e</b> Government grants (contributions) . . . . . <b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above . . . . . <b>1f</b>	413,617				
	<b>g</b> Noncash contributions included in lines 1a-1f \$					
	<b>h Total.</b> Add lines 1a-1f . . . . .		413,818			
	<b>Program Service Revenue</b>	<b>2a</b> ADULT SERVICES	623000	15,127,832	15,127,832	
<b>b</b> CHILD & ADOLESCENT		623000	10,803,198	10,803,198		
<b>c</b> DEVELOPMENTAL DISORDERS		623000	5,262,635	5,262,635		
<b>d</b> RENT INCOME		531120	276,765	276,765		
<b>e</b> CAFETERIA		722210	227,469	227,469		
<b>f</b> All other program service revenue			44,563	44,563		
<b>g Total.</b> Add lines 2a-2f . . . . .			31,742,462			
<b>Other Revenue</b>		<b>3</b> Investment income (including dividends, interest and other similar amounts) . . . . .		46,075		46,075
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .					
	<b>5</b> Royalties . . . . .					
	<b>6a</b> Gross Rents	(i) Real				
		(ii) Personal				
		<b>b</b> Less rental expenses				
		<b>c</b> Rental income or (loss)				
	<b>d</b> Net rental income or (loss) . . . . .					
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	8,928			
		(ii) Other				
		<b>b</b> Less cost or other basis and sales expenses				
		<b>c</b> Gain or (loss)	8,928			
<b>d</b> Net gain or (loss) . . . . .		8,928	8,928			
<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . . <b>a</b>						
	<b>b</b> Less direct expenses . . . . . <b>b</b>		22,195			
	<b>c</b> Net income or (loss) from fundraising events . . . . .		9,091			
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . . <b>a</b>						
<b>b</b> Less direct expenses . . . . . <b>b</b>						
<b>c</b> Net income or (loss) from gaming activities . . . . .			13,104			
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . . <b>a</b>						
	<b>b</b> Less cost of goods sold . . . . . <b>b</b>					
	<b>c</b> Net income or (loss) from sales of inventory . . . . .					
<b>11a</b> _____ <b>b</b> _____ <b>c</b> _____ <b>d</b> All other revenue . . . . .	Miscellaneous Revenue	Business Code				
	<b>e Total.</b> Add lines 11a-11d . . . . .					
<b>12 Total revenue.</b> See Instructions . . . . .		32,224,387	31,751,390		46,075	

**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) but are not required to complete columns (B), (C), and (D).

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
<b>1</b>	Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
<b>2</b>	Grants and other assistance to individuals in the U S See Part IV, line 22				
<b>3</b>	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
<b>4</b>	Benefits paid to or for members				
<b>5</b>	Compensation of current officers, directors, trustees, and key employees . . . . .	568,480	191,620	376,860	
<b>6</b>	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
<b>7</b>	Other salaries and wages	16,329,475	15,989,915	256,592	82,968
<b>8</b>	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	440,970	427,741	13,229	
<b>9</b>	Other employee benefits . . . . .	2,739,493	2,657,308	82,185	
<b>10</b>	Payroll taxes . . . . .	1,237,876	1,200,740	37,136	
<b>a</b>	Fees for services (non-employees)				
	Management . . . . .	3,157,149		3,157,149	
<b>b</b>	Legal . . . . .				
<b>c</b>	Accounting . . . . .	2,537		2,537	
<b>d</b>	Lobbying . . . . .				
<b>e</b>	Professional fundraising services See Part IV, line 17 . . . . .				
<b>f</b>	Investment management fees . . . . .				
<b>g</b>	Other . . . . .	688,367	685,102	2,097	1,168
<b>12</b>	Advertising and promotion . . . . .	9,992	9,692	300	
<b>13</b>	Office expenses . . . . .	375,668	364,988	10,209	471
<b>14</b>	Information technology . . . . .	25,671	24,901	770	
<b>15</b>	Royalties . . . . .				
<b>16</b>	Occupancy . . . . .	1,882,009	1,825,549	56,460	
<b>17</b>	Travel . . . . .	37,203	36,684	455	64
<b>18</b>	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
<b>19</b>	Conferences, conventions, and meetings . . . . .	68,805	66,489	2,141	175
<b>20</b>	Interest . . . . .				
<b>21</b>	Payments to affiliates . . . . .				
<b>22</b>	Depreciation, depletion, and amortization . . . . .	1,049,934	1,018,436	31,498	
<b>23</b>	Insurance . . . . .	126,928	123,880	3,048	
<b>24</b>	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O )				
<b>a</b>	HOSPITAL TAX	770,510	770,510		
<b>b</b>	PHARMACY SERVICES	671,176	671,176		
<b>c</b>	PROVISION FOR BAD DEBT	666,903	666,903		
<b>d</b>	FOOD SERVICES	433,530	433,508		22
<b>e</b>	MEMBERSHIP DUES	109,494	106,209	3,285	
<b>f</b>	All other expenses	152,255	152,255		
<b>25</b>	<b>Total functional expenses.</b> Add lines 1 through 24f	31,544,425	27,423,606	4,035,951	84,868
<b>26</b>	<b>Joint costs.</b> Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

**Part X Balance Sheet**

		(A)		(B)
		Beginning of year		End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	1,665	<b>1</b>	1,665
	<b>2</b> Savings and temporary cash investments . . . . .	9,178,192	<b>2</b>	14,381,993
	<b>3</b> Pledges and grants receivable, net . . . . .	9,803	<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .	1,955,577	<b>4</b>	1,139,077
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L . . . . .		<b>5</b>	
	<b>6</b> 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) Schedule L . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	436,797
	<b>8</b> Inventories for sale or use . . . . .	249,042	<b>8</b>	262,936
	<b>9</b> Prepaid expenses and deferred charges . . . . .	112,803	<b>9</b>	57,792
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	28,340,027		
	<b>b</b> Less accumulated depreciation . . . . .	8,379,110	20,863,292	<b>10c</b> 19,960,917
	<b>11</b> Investments—publicly traded securities . . . . .	613,192	<b>11</b>	638,800
	<b>12</b> Investments—other securities See Part IV, line 11 . . . . .		<b>12</b>	
	<b>13</b> Investments—program-related See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets See Part IV, line 11 . . . . .	244,689	<b>15</b>	233,482
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	33,228,255	<b>16</b>	37,113,459	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	2,732,554	<b>17</b>	2,911,701
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities . . . . .	22,188,897	<b>20</b>	21,554,118
	<b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> Other liabilities Complete Part X of Schedule D . . . . .	140,025	<b>25</b>	3,827,361
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	25,061,476	<b>26</b>	28,293,180
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	7,753,144	<b>27</b>	8,309,847
	<b>28</b> Temporarily restricted net assets . . . . .	63,635	<b>28</b>	160,432
	<b>29</b> Permanently restricted net assets . . . . .	350,000	<b>29</b>	350,000
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
<b>33</b> Total net assets or fund balances . . . . .	8,166,779	<b>33</b>	8,820,279	
<b>34</b> Total liabilities and net assets/fund balances . . . . .	33,228,255	<b>34</b>	37,113,459	

**Part XI Reconciliation of Net Assets**

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

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	32,224,387
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	31,544,425
<b>3</b>	Revenue less expenses Subtract line 2 from line 1	<b>3</b>	679,962
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	8,166,779
<b>5</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>5</b>	-26,462
<b>6</b>	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	<b>6</b>	8,820,279

**Part XII Financial Statements and Reporting**

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

		Yes	No
<b>1</b>	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		
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
<b>b</b>	Were the organization's financial statements audited by an independent accountant?	Yes	
<b>c</b>	If "Yes," to 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	
<b>d</b>	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
<b>3a</b>	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?		No
<b>b</b>	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

**SCHEDULE A**  
(Form 990 or 990EZ)

**Public Charity Status and Public Support**

OMB No 1545-0047

**2010**

**Open to Public Inspection**

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

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

Department of the Treasury  
Internal Revenue Service

Name of the organization  
SPRING HARBOR HOSPITAL

Employer identification number  
01-0524834

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

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

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2  A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E )
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II )
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 8  A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 9  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III )
- 10  An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h
  - a  Type I
  - b  Type II
  - c  Type III - Functionally integrated
  - d  Type III - Other
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f  If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
  - (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?
  - (ii) a family member of a person described in (i) above?
  - (iii) a 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s)

	Yes	No
<b>11g(i)</b>		
<b>11g(ii)</b>		
<b>11g(iii)</b>		

(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 support
			Yes	No	Yes	No	Yes	No	
<b>Total</b>									

**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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add lines 1 through 3						
<b>5</b> 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)						
<b>6 Public Support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>7</b> Amounts from line 4						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
<b>11 Total support</b> (Add lines 7 through 10)						
<b>12</b> Gross receipts from related activities, etc (See instructions )					<b>12</b>	
<b>13 First Five Years</b> 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 <b>stop here</b> ▶						

**Section C. Computation of Public Support Percentage**

<b>14</b> Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f))	<b>14</b>	
<b>15</b> Public Support Percentage for 2009 Schedule A, Part II, line 14	<b>15</b>	
<b>16a 33 1/3% support test—2010.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization ▶		
<b>b 33 1/3% support test—2009.</b> If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization ▶		
<b>17a 10%-facts-and-circumstances test—2010.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶		
<b>b 10%-facts-and-circumstances test—2009.</b> 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 <b>stop here.</b> Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶		
<b>18 Private Foundation</b> If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶		

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> 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						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</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						
<b>c</b> Add lines 7a and 7b						
<b>8 Public Support</b> (Subtract line 7c from line 6)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>13 Total support</b> (Add lines 9, 10c, 11 and 12)						
<b>14 First Five Years</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> 						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	<b>15</b>	
<b>16</b> Public support percentage from 2009 Schedule A, Part III, line 15	<b>16</b>	

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for <b>2010</b> (line 10c column (f) divided by line 13 column (f))	<b>17</b>	
<b>18</b> Investment income percentage from <b>2009</b> Schedule A, Part III, line 17	<b>18</b>	
<b>19a 33 1/3% support tests—2010.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization 		
<b>b 33 1/3% support tests—2009.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization 		
<b>20 Private Foundation</b> If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions 		

---

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

---

# Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 01-0524834  
**Name:** SPRING HARBOR HOSPITAL

## Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

### 4d. Other program services

(Code ) (Expenses \$ 474,129 including grants of \$ ) (Revenue \$ 548,797 )

OTHER PROGRAM SERVICES INCLUDE CAFETERIA AND VENDING UNITS SALES, OTHER REVENUE FROM MEDICAL RECORDS, RENT FROM A RELATED PARTY, AND EDUCATIONAL SERVICES

SCHEDULE C (Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

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

2010

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

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

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

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

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

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

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

Name of the organization SPRING HARBOR HOSPITAL

Employer identification number

01-0524834

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

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

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

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

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

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

Table with 5 columns: (a) Name, (b) Address, (c) EIN, (d) Amount paid from filing organization's funds, (e) Amount of political contributions received and promptly and directly delivered to a separate political organization.

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

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals												
<b>1a</b>	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
<b>b</b>	Total lobbying expenditures to influence a legislative body (direct lobbying)														
<b>c</b>	Total lobbying expenditures (add lines 1a and 1b)														
<b>d</b>	Other exempt purpose expenditures														
<b>e</b>	Total exempt purpose expenditures (add lines 1c and 1d)														
<b>f</b>	Lobbying nontaxable amount. Enter the amount from the following table in both columns														
<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 50%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <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> </tbody> </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														
<b>g</b>	Grassroots nontaxable amount (enter 25% of line 1f)														
<b>h</b>	Subtract line 1g from line 1a. If zero or less, enter -0-														
<b>i</b>	Subtract line 1f from line 1c. If zero or less, enter -0-														
<b>j</b>	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 checked="" 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.)

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
<b>2a</b>	Lobbying non-taxable amount				
<b>b</b>	Lobbying ceiling amount (150% of line 2a, column(e))				
<b>c</b>	Total lobbying expenditures				
<b>d</b>	Grassroots non-taxable amount				
<b>e</b>	Grassroots ceiling amount (150% of line 2d, column (e))				
<b>f</b>	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)).**

	(a)		(b)
	Yes	No	Amount
<b>1</b> 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			
<b>a</b> Volunteers?		No	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
<b>c</b> Media advertisements?		No	
<b>d</b> Mailings to members, legislators, or the public?		No	
<b>e</b> Publications, or published or broadcast statements?		No	
<b>f</b> Grants to other organizations for lobbying purposes?		No	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
<b>i</b> Other activities? If "Yes," describe in Part IV	Yes		6,187
<b>j</b> Total lines 1c through 1i			6,187
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
<b>d</b> 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
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members?	<b>1</b>	No
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?	<b>2</b>	No
<b>3</b> Did the organization agree to carryover lobbying and political expenditures from the prior year?	<b>3</b>	No

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

<b>1</b> Dues, assessments and similar amounts from members	<b>1</b>
<b>2</b> Section 162(e) non-deductible lobbying and political expenditures ( <b>do not include amounts of political expenses for which the section 527(f) tax was paid</b> ).	
<b>a</b> Current year	<b>2a</b>
<b>b</b> Carryover from last year	<b>2b</b>
<b>c</b> Total	<b>2c</b>
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	<b>3</b>
<b>4</b> 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?	<b>4</b>
<b>5</b> Taxable amount of lobbying and political expenditures (see instructions)	<b>5</b>

**Part IV Supplemental Information**

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

Identifier	Return Reference	Explanation
	SCHEDULE C, PART II-B, LINE 1I	A PORTION OF MEMBERSHIP DUES PAID REPRESENTS LOBBYING ACTIVITIES LOBBYING PORTION OF MAINE HOSPITAL ASSOCIATION DUES 4,533 LOBBYING PORTION OF AMERICAN HOSPITAL ASSOCIATION DUES 1,654 TOTAL DUES PAID REPRESENTING LOBBYING ACTIVITIES 6,187

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2010

Open to Public Inspection

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization SPRING HARBOR HOSPITAL

Employer identification number 01-0524834

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.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4: Total number at end of year, Aggregate contributions to (during year), Aggregate grants from (during year), 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?
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may 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?

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, Protection of natural habitat, Preservation of open space, Preservation of an historically important land area, Preservation of a certified historic structure.

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

- a Total number of conservation easements
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

Table with 2 columns: Held at the End of the Year. Rows 2a: 1, 2b: 54, 2c: , 2d: .

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

4 Number of states where property subject to conservation easement is located 1

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 5

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year \$ 250

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

9 In Part XIV, 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, 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 XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, 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 relating to these items

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

b Assets included in Form 990, Part X \$

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

**3** Using the organization's 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 XIV

**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 XIV and complete the following table

	Amount
<b>1c</b> Beginning balance	
<b>1d</b> Additions during the year	
<b>1e</b> Distributions during the year	
<b>1f</b> Ending balance	

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

**b** If "Yes," explain the arrangement in Part XIV

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
<b>1a</b> Beginning of year balance . . . . .	350,000	350,000	350,000		
<b>b</b> Contributions . . . . .					
<b>c</b> Investment earnings or losses . . . . .	2,093	33,229	7,350		
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .	2,093	33,229	7,350		
<b>f</b> Administrative expenses . . . . .					
<b>g</b> End of year balance . . . . .	350,000	350,000	350,000		

**2** Provide the estimated percentage of the year end balance held as

- a** Board designated or quasi-endowment
- b** Permanent endowment  100.000 %
- c** Term endowment

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

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

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

**Part VI Investments—Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land . . . . .		1,212,130		1,212,130
<b>b</b> Buildings . . . . .		23,449,433	5,480,863	17,968,570
<b>c</b> Leasehold improvements . . . . .		732,069	455,568	276,501
<b>d</b> Equipment . . . . .		2,946,395	2,442,679	503,716
<b>e</b> Other . . . . .				
<b>Total.</b> Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . .				19,960,917



**Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements**

<b>1</b>	Total revenue (Form 990, Part VIII, column (A), line 12)	<b>1</b>	
<b>2</b>	Total expenses (Form 990, Part IX, column (A), line 25)	<b>2</b>	
<b>3</b>	Excess or (deficit) for the year Subtract line 2 from line 1	<b>3</b>	
<b>4</b>	Net unrealized gains (losses) on investments	<b>4</b>	
<b>5</b>	Donated services and use of facilities	<b>5</b>	
<b>6</b>	Investment expenses	<b>6</b>	
<b>7</b>	Prior period adjustments	<b>7</b>	
<b>8</b>	Other (Describe in Part XIV)	<b>8</b>	
<b>9</b>	Total adjustments (net) Add lines 4 - 8	<b>9</b>	
<b>10</b>	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	<b>10</b>	

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

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

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

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

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation
ACCOUNTING FOR CONSERVATION EASEMENTS	SCHEDULE D, PAGE 1, PART II, LINE 9	IN 2002 SPRING HARBOR HOSPITAL ACQUIRED A 54-ACRE PARCEL OF LAND DESIGNATED AS A CONSERVATION EASEMENT WHICH WAS CONVEYED AS PART OF A LAND PURCHASE UPON WHICH THE HOSPITAL WAS BUILT
INTENDED USES FOR ENDOWMENT FUNDS	SCHEDULE D, PAGE 2, PART V, LINE 4	THE INCOME FROM THIS PERMANENT ENDOWMENT IS INTENDED TO BE USED PRIMARILY FOR THE SERVICES PROVIDED BY SPRING HARBOR HOSPITAL'S CHILD AND ADOLESCENT PROGRAMS
LIABILITY UNDER FIN 48 FOOTNOTE	SCHEDULE D, PAGE 3, PART X	SPRING HARBOR HOSPITAL IS A NOT-FOR-PROFIT ORGANIZATION AS DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE (IRC) AND IS EXEMPT FROM FEDERAL INCOME TAXES ON RELATED INCOME PURSUANT TO SECTION 501(A) OF THE IRC

SCHEDULE G (Form 990 or 990-EZ)

Supplemental Information Regarding Fundraising or Gaming Activities

OMB No 1545-0047

2010

Open to Public Inspection

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a. Attach to Form 990 or Form 990-EZ. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization SPRING HARBOR HOSPITAL

Employer identification number 01-0524834

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a Mail solicitations, b Internet and e-mail solicitations, c Phone solicitations, d In-person solicitations, e Solicitation of non-government grants, f Solicitation of government grants, g Special fundraising events

2a Did the organization have a written or oral agreement with any individual... Yes No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements...

Table with 6 columns: (i) Name and address of individual or entity (fundraiser), (ii) Activity, (iii) Did fundraiser have custody or control of contributions?, (iv) Gross receipts from activity, (v) Amount paid to (or retained by) fundraiser listed in col (i), (vi) Amount paid to (or retained by) organization. Includes a Total row at the bottom.

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
		<b>SIGNS OF HOPE</b> (event type)	(event type)	(total number)	(Add col (a) through col (c))
<b>Revenue</b>	<b>1</b> Gross receipts . . . . .	22,195			22,195
	<b>2</b> Less Charitable contributions . . . . .				
	<b>3</b> Gross income (line 1 minus line 2) . . . . .	22,195			22,195
<b>Direct Expenses</b>	<b>4</b> Cash prizes . . . . .				
	<b>5</b> Non-cash prizes . . . . .				
	<b>6</b> Rent/facility costs . . . . .				
	<b>7</b> Food and beverages . . . . .				
	<b>8</b> Entertainment . . . . .	7,500			7,500
	<b>9</b> Other direct expenses . . . . .	1,591			1,591
	<b>10</b> Direct expense summary Add lines 4 through 9 in column (d) . . . . . ▶				9,091
<b>11</b> Net income summary Combine lines 3 and 10 in column (d) . . . . . ▶				13,104	

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
					(Add col (a) through col (c))
<b>Revenue</b>	<b>1</b> Gross revenue . . . . .				
<b>Direct Expenses</b>	<b>2</b> Cash prizes . . . . .				
	<b>3</b> Non-cash prizes . . . . .				
	<b>4</b> Rent/facility costs . . . . .				
	<b>5</b> Other direct expenses . . . . .				
	<b>6</b> Volunteer labor . . . . .	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No	
<b>7</b> Direct expense summary Add lines 2 through 5 in column (d) . . . . . ▶					
<b>8</b> Net gaming income summary Combine lines 1 and 7 in column (d) . . . . . ▶					

**9** Enter the state(s) in which the organization operates gaming activities \_\_\_\_\_

**a** Is the organization licensed to operate gaming activities in each of these states? . . . . .  Yes  No

**b** If "No," Explain \_\_\_\_\_

**10a** Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? . . . . .  Yes  No

**b** If "Yes," Explain \_\_\_\_\_

- 11** Does the organization operate gaming activities with nonmembers? . . . . .  Yes  No
- 12** Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . .  Yes  No

**13** Indicate the percentage of gaming activity operated in

<b>a</b> The organization's facility . . . . .	<b>13a</b>	
<b>b</b> An outside facility . . . . .	<b>13b</b>	

**14** Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

**15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . .  Yes  No

**b** If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_

**c** If "Yes," enter name and address

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

**16** Gaming manager information

Name ▶ \_\_\_\_\_

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ \_\_\_\_\_

- Director/officer
- Employee
- Independent contractor

**17** Mandatory distributions

**a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . .  Yes  No

**b** Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ \_\_\_\_\_

**Part IV** Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier	ReturnReference	Explanation
------------	-----------------	-------------

SCHEDULE H (Form 990)

Hospitals

OMB No 1545-0047

2010

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization SPRING HARBOR HOSPITAL

Employer identification number

01-0524834

Part I Financial Assistance and Certain Other Community Benefits at Cost

1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a. 1b If "Yes," is it a written policy? 2 If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. 3a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? 3b Does the organization use FPG to determine eligibility for providing discounted care to low income individuals? 4 Did the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. 5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? 5b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? 5c 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? 6a Does the organization prepare a community benefit report during the tax year? 6b If "Yes," did the organization make it available to the public? 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

Table with 6 columns: (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. Rows include Financial Assistance and Means-Tested Government Programs (Total: 3,434,384) and Other Benefits (Total: 3,641,094).

**Part II Community Building Activities** during the tax year, and describe in Part VI how its 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
<b>1</b> Physical improvements and housing						
<b>2</b> Economic development						
<b>3</b> Community support						
<b>4</b> Environmental improvements						
<b>5</b> Leadership development and training for community members						
<b>6</b> Coalition building						
<b>7</b> Community health improvement advocacy						
<b>8</b> Workforce development						
<b>9</b> Other						
<b>10 Total</b>						

**Part III Bad Debt, Medicare, & Collection Practices**

**Section A. Bad Debt Expense**

		Yes	No
<b>1</b> Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? . . . . .	<b>1</b>		No
<b>2</b> Enter the amount of the organization's bad debt expense (at cost) . . . . .	<b>2</b>		
<b>3</b> Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy . . . . .	<b>3</b>		
<b>4</b> Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit			

**Section B. Medicare**

<b>5</b> Enter total revenue received from Medicare (including DSH and IME) . . . . .	<b>5</b>	3,041,631		
<b>6</b> Enter Medicare allowable costs of care relating to payments on line 5 . . . . .	<b>6</b>	3,961,889		
<b>7</b> Subtract line 6 from line 5. This is the surplus or (shortfall) . . . . .	<b>7</b>	-920,258		
<b>8</b> Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other				

**Section C. Collection Practices**

<b>9a</b> Does the organization have a written debt collection policy? . . . . .	<b>9a</b>	Yes	
<b>b</b> If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI . . . . .	<b>9b</b>	Yes	

**Part IV Management Companies and Joint Ventures**

(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 %
<b>1</b>				
<b>2</b>				
<b>3</b>				
<b>4</b>				
<b>5</b>				
<b>6</b>				
<b>7</b>				
<b>8</b>				
<b>9</b>				
<b>10</b>				
<b>11</b>				
<b>12</b>				
<b>13</b>				



**Part V Facility Information** *(continued)*

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

(list in order of size, measured by total revenue per facility, from largest to smallest)

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

Name and address

Type of Facility (Describe)

1	
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

**Part VI Supplemental Information**

Complete this part to provide the following information

- 1 **Required descriptions.** Provide the description required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6l, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc )
- 6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
OTHER TESTING METHODS FOR FREE OR DISCOUNTED CARE	PART I LINE 3C	SPRING HARBOR HOSPITAL DOES NOT PROVIDE DISCOUNTED CARE ONLY FREE CARE FOR WHICH THE FPG IS USED TO DETERMINE ELIGIBILITY

Identifier	ReturnReference	Explanation
RELATED ORGANIZATION INFORMATION	PART I LINE 6A	SPRING HARBORS ANNUAL COMMUNITY BENEFIT REPORT INFORMATION IS CONTAINED IN A REPORT PREPARED BY SPRING HARBORS PARENT ORGANIZATION MAINE MENTAL HEALTH PARTNERS

Identifier	ReturnReference	Explanation
COSTING METHODOLOGY EXPLANATION	PART I LINE 7	CHARITY CARE COST DATA PRESENTED IN THIS SECTION HAS BEEN CALCULATED BY ASSIGNING THE AVERAGE OVERALL SPRING HARBOR RATIO OF COST TO CHARGES TO THE ACTUAL GROSS AMOUNT OF CHARITY CARE CHARGES RECORDED BY THE HOSPITAL DURING THE PERIOD OTHER BENEFIT COST DATA HAS BEEN CALCULATED THROUGH THE USE OF A COMBINATION OF ACTUAL GENERAL LEDGER SPECIFIC COST DATA AND THE USE OF EMPLOYEE TIME STUDIES ALL OTHER BENEFIT COST DATA IN PART I LINE 7 MATCHES THE DATA PRESENTED FOR SPRING HARBOR HOSPITAL IN MAINE MENTAL HEALTH PARTERS ANNUAL COMMUNITY BENEFIT REPORT

Identifier	ReturnReference	Explanation
BAD DEBT EXPENSE EXPLANATION	PART III LINE 4	<p>SPRING HARBOR HOSPITAL DOES NOT HAVE A SPECIFIC FOOTNOTE IN THE FINANCIAL STATEMENTS THAT DESCRIBES BAD DEBT EXPENSE HOWEVER REFERENCE IS MADE WITHIN THE FOOTNOTES TO A BAD DEBT POLICY IN A COUPLE OF INSTANCES WITHIN THE FOOTNOTE DESCRIBING SIGNIFICANT ACCOUNTING POLICES IS THE SECTION TITLED ACCOUNTS RECEIVABLE WHERE THE FOLLOWING EXPLAINS THE BAD DEBT RESERVE THE RESERVE FOR UNCOLLECTIBLE ACCOUNTS IS PROVIDED BASED ON AN ANALYSIS BY MANAGEMENT OF THE COLLECTIBILITY OF OUTSTANDING BALANCES MANAGEMENT CONSIDERS THE AGE OF OUTSTANDING BALANCES AND PAST COLLECTION EFFORTS IN DETERMINING THE RESERVE FOR UNCOLLECTIBLE ACCOUNTS ACCOUNTS DEEMED UNCOLLECTIBLE ARE CHARGED OFF AGAINST THE ESTABLISHED RESERVE ALSO WITHIN THE SIGNIFICANT ACCOUNTING POLICES IS THE SECTION TITLED CHARITY CARE AND BAD DEBTS WHERE THE FOLLOWING DESCRIBES THE BAD DEBT EXPENSE REVENUE FOR SERVICES RENDERED TO INDIVIDUALS FROM WHOM PAYMENT IS EXPECTED AND ULTIMATELY NOT RECEIVED IS WRITTEN OFF AND INCLUDED AS PART OF THE ALLOWANCE FOR BAD DEBTS THE AMOUNT OF EXPENSE ASSOCIATED WITH THE PROVISION OF SERVICES ULTIMATELY WRITTEN OFF AS BAD DEBT AT SPRING HARBOR HAS BEEN CALCULATED AT 404143 FOR THE CURRENT FISCAL YEAR THIS AMOUNT WAS CALCULATED BY ASSIGNING THE AVERAGE OVERALL SPRING HARBOR RATIO OF COST TO CHARGES TO THE GROSS AMOUNT OF CHARGES WRITTEN OFF AS BAD DEBT DURING THE FISCAL PERIOD BAD DEBT EXPENSE REPRESENTS HEALTHCARE SERVICES SPRING HARBOR HAS PROVIDED WITHOUT COMPENSATION AS A TAXEXEMPT HOSPITAL SPRING HARBOR PROVIDES NECESSARY PATIENT CARE REGARDLESS OF THE PATIENTS ABILITY TO PAY FOR THE SERVICES SPRING HARBOR CANNOT DETERMINE THE AMOUNT OF BAD DEBT EXPENSE THAT COULD BE REASONABLY ATTRIBUTABLE TO PATIENTS WHO LIKELY WOULD QUALIFY FOR DIFFICULT PERSONAL OR ECONOMIC CIRCUMSTANCES RELATED TO A PORTION OF OUR COMMUNITY BASED PATIENT POPULATION THEIR MEDICAL BILLS OFTEN PLACE THESE INDIVIDUALS IN UNTENABLE POSITIONS WHERE THEY ARE NOT ABLE TO HANDLE THEIR PERSONAL DEBT AND THEN THEIR NEW MEDICAL DEBT HOWEVER BECAUSE OF THEIR INCOME LEVEL THEY DO NOT QUALIFY FOR FREE CARE BY PROVIDING NECESSARY HEALTHCARE SERVICES TO THOSE INDIVIDUALS EITHER WHO FAIL TO APPLY FOR FINANCIAL ASSISTANCE OR WHO ARE EXPERIENCING DIFFICULT PERSONAL OR ECONOMIC CIRCUMSTANCES SPRING HARBOR BELIEVES THAT BAD DEBT EXPENSE SHOULD BE INCLUDED AS A COMMUNITY BENEFIT</p>

Identifier	ReturnReference	Explanation
MEDICARE EXPLANATION	PART III LINE 8	<p>SPRING HARBOR HOSPITAL IS CURRENTLY REIMBURSED BY MEDICARE PART A FOR INPATIENT SERVICES THROUGH A PROSPECTIVE PAYMENT SYSTEM PPS DAY RATE METHODOLOGY WHILE MEDICARE PART B REIMBURSES THE HOSPITAL FOR PROFESSIONAL SERVICES RENDERED THROUGH A FEE SCHEDULE FOR EACH SERVICE PROVIDED IN BOTH CASES PART A AND PART B THE REIMBURSEMENT PROVIDED DOES NOT FULLY COVER THE HOSPITALS COSTS TO PROVIDE SERVICES TO MEDICARE BENEFICIARIES ACTUAL FY11 COSTS TO PROVIDE CARE FOR MEDICARE PATIENTS HAS BEEN CALCULATED AT 3961889 WHILE TOTAL ACTUAL MEDICARE REIMBURSEMENT PROVIDED TOTALED 3041631 THE COST CALCULATION WAS DETERMINED USING STANDARD MEDICARE PART A COST REPORTING METHODOLOGIES COST TO CHARGE RATIOS COUPLED WITH INHOUSE SPRING HARBOR ANALYSIS OF PART B COSTS THE DIFFERENCE BETWEEN ACTUAL COST AND MEDICARE REIMBURSEMENT OF 920258 REPRESENTS THE COST OF ACTUAL UNREIMBURSED CARE PROVIDED TO MEDICARE BENEFICIARIES SPRING HARBOR HOSPITAL BELIEVES THAT THE MEDICARE SHORTFALL SHOULD BE INCLUDED AS A COMMUNITY BENEFIT BECAUSE THE HOSPITAL HAS A CLEAR MISSION COMMITMENT TO SERVING ELDERLY PATIENTS AND ADULTS WITH DISABILITIES THROUGH THE PROVISION OF SPECIFIC SUBSIDIZED PROGRAMS DEVELOPED TO HELP IMPROVE THE HEALTH STATUS OF THESE PATIENTS IF THESE CRITICAL SUBSIDIZED PROGRAMS WERE NOT PROVIDED BY THE HOSPITAL THEY WOULD BECOME THE OBLIGATION OF THE FEDERAL GOVERNMENT</p>

Identifier	ReturnReference	Explanation
COLLECTION PRACTICES EXPLANATION	PART III LINE 9B	SPRING HARBOR HOSPITAL OFFERS FINANCIAL ASSISTANCE TO PATIENTS WHO HAVE NO MEANS TO PAY FOR THEIR CARE BY MAINTAINING CHARITY/INDIGENT CARE PROGRAMS CHARITY CARE IS PROVIDED TO THOSE PATIENTS WHO COMPLETE AN APPLICATION AND WHO OFFER EVIDENCE THAT THEY MEET THE ELIGIBILITY REQUIREMENTS THOSE PATIENTS WHO REFUSE APPLICATION OR WHO FAIL TO MEET THE REQUIREMENTS FOR UNCOMPENSATED CARE ARE PURSUED FOR COLLECTION UNSUCCESSFUL ATTEMPTS AT COLLECTION MAY RESULT IN THE ACCOUNT BEING WRITTEN OFF AS BAD DEBT FOR THOSE PATIENTS THAT DO QUALIFY FOR CHARITY CARE ACCOUNT BALANCES ARE ADJUSTED ACCORDINGLY ONCE THEIR CHARITY CARE APPLICATION HAS BEEN APPROVED MORE DETAILS REGARDING THE CHARITY CARE PROCESS AT SPRING HARBOR ARE MAINTAINED IN THE HOSPITALS WRITTEN AND PUBLICLY AVAILABLE CHARITY CARE POLICY

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	PART VI	<p>SPRING HARBOR HOSPITAL IS A MEMBER OF MAINEHEALTH WHICH CONDUCTS A THOROUGH COMMUNITY NEEDS ASSESSMENT AND DIRECTS ITS MEMBER ORGANIZATIONS TO RESPOND TO THE NEEDS IDENTIFIED MAINEHEALTH MEMBERS ALSO PARTICIPATE IN VARIOUS INITIATIVES TO KEEP THOSE ASSESSMENTS UP TO DATE SOME OF THESE INITIATIVES INCLUDE CLINICAL STRATEGIC PLANNING FINANCIAL STRATEGIC PLANNING FACILITY PLANNING HUMAN RESOURCE PLANNING STAFF DEVELOPMENT PLANNING PHYSICIAN RECRUITMENT STRATEGIC PLANNING EMERGENCY PREPAREDNESS PLANNING IN ADDITION TO THESE INTERNAL ASSESSMENTS MAINEHEALTH MEMBER ORGANIZATIONS ALSO REVIEW AND ACT ON MANY OF THE RECOMMENDATIONS PROVIDED BY EXTERNAL GROUPS AND STATE HEALTH PLANNING INITIATIVES SUCH AS THE MAINE DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTHY MAINE 2010 AND AUTISM SPECTRUM DISORDERS REPORT THE MAINE CENTER FOR DISEASE CONTROL AND PREVENTION AND THE STATE HEALTH PLAN CREATED BY THE ADVISORY COMMITTEE FOR HEALTH SYSTEMS DEVELOPMENT</p>

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	PART VI	SPRING HARBOR HOSPITAL DISTRIBUTES A PATIENT FINANCIAL POLICIES BROCHURE TO EACH PATIENT UPON ADMISSION WHICH INCLUDES BUT IS NOT LIMITED TO INFORMATION ON HOW TO ACCESS AND APPLY FOR SPRING HARBOR HOSPITALS FINANCIAL ASSISTANCE PROGRAM FINANCIAL COUNSELING SERVICES MAINECARE MEDICARE AND SOCIAL SECURITY

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION	PART VI	SPRING HARBOR HOSPITALS SERVICE REGION ENCOMPASSES THE SOUTHERNMOST 11 COUNTIES OF MAINE AND ITS APPROXIMATELY 960000 RESIDENTS THREE QUARTERS OF THE STATE POPULATION OF THIS NUMBER IT IS ESTIMATED THAT 7 OF CHILDREN AND 23 OF ADULTS HAVE A DIAGNOSABLE MENTAL ILLNESS THIS EQUATES TO A POTENTIAL POPULATION SERVED OF 190000 MAINE RESIDENTS

Identifier	ReturnReference	Explanation
HEALTH OF COMMUNITY IN RELATION TO EXEMPT PURPOSE	PART VI	SPRING HARBOR HOSPITAL IN PARTNERSHIP WITH MAINEHEALTH DEVELOPED A PROGRAM TO IMPROVE PRIMARY CAREMENTAL HEALTH INTEGRATION AND HELPS PEOPLE WITH DEPRESSION AND THOSE WHO CARE FOR AND ABOUT THEM THE PROGRAM TRAINS PRIMARY CARE PROVIDERS ON THE DIAGNOSIS AND TREATMENT OF PATIENTS AND MANY PHYSICIANS USE AN ELECTRONIC REGISTRY TO TRACK OUTCOME MEASURES THE PROGRAM CONDUCTS A COLLABORATIVE LEARNING COMMUNITY EXPLORING THE EFFECTIVENESS EFFICIENCY AND COSTBENEFIT OF INTEGRATION WITH PRIMARY CAREMENTAL HEALTH PARTNERS

Identifier	ReturnReference	Explanation
AFFILIATED HEALTH CARE INFORMATION	PART VI	SPRING HARBOR HOSPITAL IS A MEMBER OF MAINE MENTAL HEALTH PARTNERS MAINE MENTAL HEALTH PARTNERS MISSION IS TO FACILITATE PROMOTE AND MAINTAIN A HIGHQUALITY INTEGRATED SYSTEM OF MENTAL HEALTH SERVICES IN THE MAINEHEALTH REGION BY PROMOTING INDIVIDUALS SUCCESSFUL FUNCTIONING IN THE COMMUNITY IE RECOVERY SUPPORTING ACCESS TO SAFE HIGHQUALITY CARE DELIVERED AS CLOSE AS POSSIBLE TO AN INDIVIDUALS HOME AND AT THE BEST POSSIBLE COST DESIGNING DEVELOPING AND SUPPORTING A CONTINUUM OF CARE THAT FULFILLS EACH REGIONS MENTAL HEALTH NEEDS ADVOCATING LOCALLY STATEWIDE REGIONALLY AND NATIONALLY TO ENHANCE MENTAL HEALTH FOR MAINE PEOPLE CREATING A MODEL SYSTEM OF LEADERSHIP CLINICAL EXCELLENCE INNOVATION AND EXPERTISE

Identifier	ReturnReference	Explanation
LIST OF STATES WHERE COMMUNITY BENEFIT REPORT IS FILED	PART VI	MAINE

Schedule H (Form 990) 2010

**Schedule J**  
(Form 990)

**Compensation Information**

OMB No 1545-0047

**2010**

**Open to Public Inspection**

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Department of the Treasury  
Internal Revenue Service

Name of the organization  
SPRING HARBOR HOSPITAL

Employer identification number

01-0524834

**Part I Questions Regarding Compensation**

	Yes	No
<b>1a</b>		
<b>1b</b>	Yes	
<b>2</b>	Yes	
<b>3</b>		
<b>4a</b>		No
<b>4b</b>	Yes	
<b>4c</b>		No
<b>5a</b>		No
<b>5b</b>		No
<b>6a</b>		No
<b>6b</b>		No
<b>7</b>		No
<b>8</b>		No
<b>9</b>		

- 1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items
- |  |   |
|--|---|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use          |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence          |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)          |

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

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

**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply

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

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

**a** Receive a severance payment or change-of-control payment from the organization or a related organization?

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

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

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

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

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

**a** The organization?

**b** Any related organization?

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

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

**a** The organization?

**b** Any related organization?

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

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

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

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

**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) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name	(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 in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) RICHARD PETERSEN	(i) (ii)	606,243	148,000	218,657	52,879	14,161	1,039,940
(2) FRANCIS G MCGINTY	(i) (ii)	388,950	68,000	162,729	28,111	13,944	661,734
(3) DENNIS P KING	(i) (ii)	270,718	41,000	85,349	22,122	8,190	427,379
(4) FRANK LAVOIE MD	(i) (ii)	334,167			8,575	12,689	355,431
(5) GIRARD ROBINSON MD	(i) (ii)	305,760	42,733	5,925	21,106	7,383	382,907
(6) DONALD E QUIGLEY	(i) (ii)	252,132	34,000	25,966	20,625	13,944	346,667
(7) GREGORY BOWERS	(i) (ii)	152,269	20,054		5,366	13,676	191,365
(8) RICHARD HANLEY	(i) (ii)	158,427	13,000		5,259	14,029	190,715
(9) MARY JANE KREBS	(i) (ii)	149,440	20,000		5,308	13,973	188,721
(10) MARK FULTON	(i) (ii)	196,666			6,025	14,021	216,712
(11) MATTHEW SIEGEL MD	(i) (ii)	193,099			6,000	14,019	213,118
(12) WILLIAM BRENNAN MD	(i) (ii)	189,992			5,782	13,938	209,712
(13) JOHN MURPHY MD	(i) (ii)	187,388			5,832	14,291	207,511
(14) DANIEL HOLLIDAY MD	(i) (ii)	178,780			5,502	13,526	197,808
( 15 )							
( 16 )							

**Part III Supplemental Information**

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

Identifier	Return Reference	Explanation
SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS	SCHEDULE J, PAGE 1, PART I, LINE 4	RICHARD PETERSEN 0 207,285 0 FRANCIS G MCGINTY 0 158,992 0 DENNIS P KING 0 71,715 0 GIRARD ROBINSON, MD 0 2,272 0 DONALD E QUIGLEY 0 19,046 0
OTHER ADDITIONAL INFORMATION	SCHEDULE J, PART III	THE NONQUALIFIED PAYMENTS SHOWN ABOVE ARE FROM RELATED ORGANIZATIONS WHERE THE INDIVIDUALS ARE EMPLOYED PART I, LINE 1A THE ORGANIZATION PAID DUES TO THE CUMBERLAND CLUB, A SOCIAL CLUB THE CLUB IS USED TO CONDUCT BUSINESS MEETINGS THE CLUB'S MEMBERSHIP RESTRICTIONS REQUIRE THAT THE MEMBERSHIP BE IN THE NAME OF AN INDIVIDUAL, NOT A BUSINESS THEREFORE, THE MEMBERSHIP IS UNDER THE NAME OF THE CEO, DENNIS KING NONE OF THESE DUES ARE TREATED AS A TAXABLE BENEFIT TO THE CEO

**Schedule J (Form 990) 2010**

**SCHEDULE O**  
(Form 990 or 990-EZ)

**Supplemental Information to Form 990 or 990-EZ**

**2010**

**Open to Public Inspection**

**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.**

Department of the Treasury  
Internal Revenue Service

**Name of the organization**  
SPRING HARBOR HOSPITAL

**Employer identification number**

01-0524834

Identifier	Return Reference	Explanation
ALL OTHER ACHIEVEMENTS DESCRIPTION	FORM 990, PAGE 2, PART III, LINE 4D	OTHER PROGRAM SERVICES INCLUDE CAFETERIA AND VENDING UNITS SALES, OTHER REVENUE FROM MEDICAL RECORDS, RENT FROM A RELATED PARTY, AND EDUCATIONAL SERVICES

Identifier	Return Reference	Explanation
SIGNIFICANT CHANGES TO ORGANIZATIONAL DOCUMENTS	FORM 990, PAGE 6, PART VI, LINE 4	SPRING HARBOR HOSPITAL CHANGED THEIR BY-LAWS TO IMPLEMENT CHANGES TO THE SENIOR FINANCIAL MANAGEMENT STRUCTURE TO INCLUDE A CHIEF FINANCIAL OFFICER AND TREASURER AND TO APPOINT SUCH OFFICERS UPON THE AMENDMENT OF THE BY-LAWS

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PAGE 6, PART VI, LINE 6	MAINE MENTAL HEALTH PARTNERS (MMHP) IS THE SOLE MEMBER OF SPRING HARBOR HOSPITAL MAINEHEALTH (EIN 01-0431680), AS THE SOLE MEMBER OF MMHP, HAS THE RIGHT TO APPROVE SIGNIFICANT DECISIONS OF THE GOVERNING BODY OF MMHP AND ITS SUBSIDIARIES

Identifier	Return Reference	Explanation
ELECTION OF MEMBERS AND THEIR RIGHTS	FORM 990, PAGE 6, PART VI, LINE 7A	THE SOLE MEMBER, MAINE MENTAL HEALTH PARTNERS MAY ELECT THE BOARD OF DIRECTORS FROM A SLATE OF NOMINEES SUBMITTED BY THE CORPORATION THE OFFICERS ARE ELECTED BY THE BOARD OF TRUSTEES, EXCEPT THAT THE CFO, COO, CHIEF MEDICAL OFFICER AND CHIEF CLINICAL & NURSING OFFICER ARE APPOINTED BY THE BOARD OF TRUSTEES BASED UPON A RECOMMENDATION OF THE CEO

Identifier	Return Reference	Explanation
DECISIONS SUBJECT TO APPROVAL OF MEMBERS	FORM 990, PAGE 6, PART VI, LINE 7B	DECISIONS OF THE GOVERNING BODY SUCH AS BUDGETS, BUSINESS STRATEGIES, SIGNIFICANT FINANCIAL COMMITMENTS, AMENDMENTS TO THE ARTICLES OF INCORPORATION, AND ELECTION OF THE PRESIDENT/CEO AMONG OTHER DECISIONS, ARE SUBJECT TO THE APPROVAL OF THE SOLE MEMBER

Identifier	Return Reference	Explanation
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 11B	THE FULL BOARD PERFORMS A REVIEW OF THE FORM 990. A FINAL DETAILED REVIEW OF THE FORM 990 IS PERFORMED BY THE CHIEF FINANCIAL OFFICER BEFORE SIGNING AND PRIOR TO FILING.

Identifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	CONFLICT OF INTEREST STATEMENTS ARE OBTAINED ANNUALLY. THE ORGANIZATION REVIEWS THE RESPONSES TO THESE DOCUMENTS AND ADDRESSES ANY ISSUES IMMEDIATELY.

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR TOP OFFICIAL	FORM 990, PAGE 6, PART VI, LINE 15A	SPRING HARBOR HOSPITAL BOARD OF DIRECTORS ARE RESPONSIBLE FOR AN ANNUAL EVALUATION OF THE PRESIDENT/CEO AND THE OTHER KEY ADMINISTRATIVE EMPLOYEES OF THE ORGANIZATION FOR THOSE KEY ADMINISTRATIVE EMPLOYEES THAT ARE SHARED WITH MMHP, COMPENSATION IS EVALUATED BY THE MMHP GOVERNANCE COMMITTEE AND APPROVED BY THE ORGANIZATION'S BOARD OF DIRECTORS IN ADDITION, THE ORGANIZATION UTILIZES THE SERVICES OF AN INDEPENDENT COMPENSATION CONSULTING FIRM, AND INDUSTRY SURVEY

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR OFFICERS	FORM 990, PAGE 6, PART VI, LINE 15B	THE MEMBER IS RESPONSIBLE FOR AN ANNUAL EVALUATION OF THE PRESIDENT/CEO AND THE OTHER KEY ADMINISTRATIVE EMPLOYEES OF THE ORGANIZATION. COMPENSATION IS EVALUATED BY THE COMPENSATION COMMITTEE APPOINTED BY THE MEMBER, AND THE ORGANIZATION'S BOARD OF TRUSTEES MUST APPROVE OF THE COMPENSATION. IN ADDITION, THE ORGANIZATION UTILIZES THE SERVICES OF AN INDEPENDENT COMPENSATION CONSULTING FIRM, AND INDUSTRY SURVEY.

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	DOCUMENTS THAT ARE REQUIRED TO BE OPEN FOR PUBLIC INSPECTION ARE MADE AVAILABLE UPON REQUEST

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	FORM 990, PART VII	<p>COLUMN B - AVERAGE HOURS WORKED AT RELATED ORGANIZATIONS RICHARD PETERSEN IS THE PRESIDENT &amp; CEO OF MAINE MEDICAL CENTER, A RELATED ORGANIZATION HE SPENDS THE MAJORITY OF HIS TIME IN THIS ROLE DENNIS KING IS THE CEO OF MMHP AND DIVIDES HIS TIME BETWEEN ALL OF THE ENTITIES WITHIN MMHP FRANCIS MCGINTY IS THE EXECUTIVE VP &amp; TREASURER OF MAINEHEALTH, A RELATED ORGANIZATION HE DIVIDES HIS TIME BETWEEN ALL OF THE ENTITIES WITHIN MAINEHEALTH GIRARD ROBINSON IS THE CMO FOR BOTH SHH AND SPRING HARBOR COMMUNITY SERVICES AND THE VICE PRESIDENT OF MEDICAL AFFAIRS FOR MMHP HE SPENDS APPROXIMATELY 4 HOURS A WEEK AS CMO OF SHCS AND 20 HOURS PER WEEK AS VP OF MEDICAL AFFAIRS FOR MMHP DONALD QUIGLEY IS THE SENIOR VICE PRESIDENT &amp; GENERAL COUNSEL FOR MAINEHEALTH AND DIVIDES HIS TIME BETWEEN ALL OF THE MAINEHEALTH ENTITIES GREGORY BOWERS IS THE EXECUTIVE VICE PRESIDENT &amp; TREASURER OF MMHP AND DIVIDES HIS TIME AMONG ALL OF THE MMHP ENTITIES RICHARD HANLEY IS THE CHIEF OPERATING OFFICER OF MMHP AND ALSO DIVIDES HIS TIME AMONG THE MMHP ENTITIES MARY JANE KREBS IS THE PRESIDENT &amp; CEO OF COMMUNITY COUNSELING CENTER, A RELATED ORGANIZATION SHE SPENDS APPROXIMATELY 20 HOURS PER WEEK DOING WORK FOR THAT ORGANIZATION GAIL WILKERSON IS THE CHIEF OPERATING OFFICER AT SPRING HARBOR COMMUNITY SERVICES AND SPENDS APPROXIMATELY 24 HOURS PER WEEK IN THAT ROLE SHE IS ALSO THE VP OF STRATEGY &amp; SYSTEM DEVELOPMENT FOR MMHP AND SPENDS APPROXIMATELY 8 HOURS DOING WORK FOR THAT ORGANIZATION</p>

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS EXPLANATION	FORM 990, PART XI, LINE 5	OTHER CHANGES TO NET ASSETS INCLUDE THE FOLLOWING (12,634) - EQUITY TRANSFER TO RELATED ORGANIZATION 2,588 - EQUITY TRANSFER FROM RELATED ORGANIZATION (16,415) - UNREALIZED LOSS ON INVESTMENTS

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2010**

**Open to Public Inspection**

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.**  
▶ **Attach to Form 990.** ▶ **See separate instructions.**

Department of the Treasury  
Internal Revenue Service

**Name of the organization**  
SPRING HARBOR HOSPITAL

**Employer identification number**

01-0524834

**Part I Identification of Disregarded Entities** (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN 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 organization	
						Yes	No
<b>(1)</b> MAINEHEALTH 110 FREE STREET PORTLAND, ME 04101 01-0431680	HEALTHCARE	ME	501C3	11C	NA		No
<b>(2)</b> MAINE MENTAL HEALTH PARTNERS 123 ANDOVER ROAD WESTBROOK, ME 04092 26-3426990	HEALTHCARE	ME	501C3	11C	MAINEHLTH		No
<b>(3)</b> SPRING HARBOR COMMUNITY SERVICES 123 ANDOVER ROAD WESTBROOK, ME 04092 01-0524835	HEALTHCARE	ME	501C3	9	MMHP		No
<b>(4)</b> COMMUNITY COUNSELING CENTER 165 LANCASTER STREET PORTLAND, ME 04101 01-0288362	HEALTHCARE	ME	501C3	7	MMHP		No
<b>(5)</b> COUNSELING SERVICES INC PO BOX 1010 SACO, ME 04072 01-0315038	HEALTHCARE	ME	501C3	7	MMHP		No

**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) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" 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
(1) INTEGRATED BEHAVIORAL HEALTH INC 123 ANDOVER ROAD WESTBROOK, ME04092 20-8736290	HEALTHCARE	ME	N/A				

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

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

**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 **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
  
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
  
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
  
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
  
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

	Yes	No
<b>1a</b>		No
<b>1b</b>		No
<b>1c</b>		No
<b>1d</b>	Yes	
<b>1e</b>		No
<b>1f</b>		No
<b>1g</b>		No
<b>1h</b>		No
<b>1i</b>	Yes	
<b>1j</b>		No
<b>1k</b>		No
<b>1l</b>	Yes	
<b>1m</b>		No
<b>1n</b>	Yes	
<b>1o</b>		No
<b>1p</b>		No
<b>1q</b>		No
<b>1r</b>		No

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			



**Part VII** **Supplemental Information**

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

**Identifier****Return Reference****Explanation****Schedule R (Form 990) 2010**



**MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**

and

**ADDITIONAL INFORMATION**

**Years Ended September 30, 2011 and 2010**

**With Independent Auditors' Report**



**MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES**

**Consolidated Financial Statements  
and Additional Information**

**September 30, 2011 and 2010**

	<b><u>Page</u></b>
Independent Auditors' Report	1
Consolidated Financial Statements	
Consolidated Balance Sheets	2
Consolidated Statements of Operations	3
Consolidated Statements of Changes in Net Assets	4
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6 - 23
Additional Information	
Consolidating Balance Sheet as of September 30, 2011	24 - 25
Consolidating Statement of Operations for the Year Ended September 30, 2011	26
Consolidating Balance Sheet as of September 30, 2010	27 - 28
Consolidating Statement of Operations for the Year Ended September 30, 2010	29



## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Maine Mental Health Partners

We have audited the accompanying consolidated balance sheet of Maine Mental Health Partners and Subsidiaries as of September 30, 2011, and the related consolidated statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of Maine Mental Health Partners' management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Maine Mental Health Partners and Subsidiaries as of September 30, 2010 were audited by other auditors whose report dated February 3, 2011 expressed an unqualified opinion on the financial statements.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Maine Mental Health Partners and Subsidiaries as of September 30, 2011 and the consolidated results of their operations, changes in their net assets and their cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual organizations. 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 audit procedures applied in the audit of the basic 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 U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Berry Dunn McNeil & Parker, LLC*

Portland, Maine  
February 2, 2012

**MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**September 30, 2011 and 2010**

**ASSETS**

	<u>2011</u>	<u>2010</u>
Current assets		
Cash and cash equivalents	\$ 10,425,582	\$ 4,673,003
Assets held in trust under debt agreement	445,397	444,397
Short term investments	5,092,062	5,059,079
Patient accounts receivable, net	5,438,508	3,668,456
Accounts receivable, other	2,038,546	1,297,121
Inventories	269,062	253,318
Prepaid expenses and other current assets	<u>185,400</u>	<u>221,594</u>
Total current assets	<u>23,894,557</u>	<u>15,616,968</u>
Assets whose use is limited by		
Specific purpose funds	2,217,635	119,989
Grant funds	196,374	211,860
Beneficial interest in perpetual trusts	139,745	150,289
Endowment funds	477,891	477,891
Assets held in trust under debt agreements	<u>522,545</u>	<u>444,397</u>
	3,554,190	1,404,426
Assets held in trust under debt agreements, current portion	<u>(445,397)</u>	<u>(444,397)</u>
	3,108,793	960,029
Amounts receivable under reimbursement regulations	-	877,543
Property, plant and equipment, net	28,508,326	21,773,234
Deferred financing costs	<u>233,482</u>	<u>244,690</u>
Total assets	<u>\$ 55,745,158</u>	<u>\$ 39,472,464</u>

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

## LIABILITIES AND NET ASSETS

	<u>2011</u>	<u>2010</u>
Current liabilities		
Lines of credit	\$ 1,280,000	\$ 450,000
Current portion of long-term debt	938,947	644,567
Accounts payable, accrued expenses and other current liabilities	1,397,963	1,654,704
Accrued payroll, payroll taxes and amounts withheld	1,908,290	1,593,077
Accrued vacation, holiday and sick pay	1,931,236	1,435,016
Accrued interest payable	314,852	321,352
Due to affiliates	<u>1,341,981</u>	<u>98,622</u>
Total current liabilities	9,113,269	6,197,338
Amounts payable under reimbursement regulations	3,524,923	-
Long-term debt, net of current portion	24,702,332	21,740,013
Interest rate swap	511,724	-
Other long-term liabilities	<u>230,000</u>	<u>230,000</u>
Total liabilities	<u>38,082,248</u>	<u>28,167,351</u>
Commitments and contingencies (Notes 6 and 12)		
Net assets		
Unrestricted	16,707,587	10,556,944
Temporarily restricted	337,687	119,989
Permanently restricted	<u>617,636</u>	<u>628,180</u>
Total net assets	<u>17,662,910</u>	<u>11,305,113</u>
Total liabilities and net assets	<u>\$ 55,745,158</u>	<u>\$ 39,472,464</u>

---

**MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES**

**Consolidated Statements of Operations**

**Years Ended September 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Unrestricted revenue and other support		
Net patient service revenue	\$ 55,988,702	\$ 42,560,761
Other revenue	10,384,720	8,252,000
Net assets released from restrictions used for operations	<u>82,599</u>	<u>82,342</u>
Total unrestricted revenue and other support	<u>66,456,021</u>	<u>50,895,103</u>
Expenses		
Salaries	40,248,786	31,971,807
Employee benefits	10,641,208	7,811,644
Medical supplies	526,229	476,069
Nonmedical supplies	1,061,039	880,974
Purchased services	3,531,284	2,558,036
Professional fees	301,706	79,687
Facility costs	2,719,922	1,848,155
State taxes	1,212,705	894,045
Interest	1,257,145	1,174,804
Depreciation and amortization	1,652,329	1,316,545
Provision for bad debts	1,163,025	882,942
Other	<u>1,776,289</u>	<u>1,356,211</u>
Total expenses	<u>66,091,667</u>	<u>51,250,919</u>
Operating income (loss), before other operating activity	<u>364,354</u>	<u>(355,816)</u>
Nonoperating gains (expenses)		
Loss on interest rate swap	(155,451)	-
Return on investments	45,851	108,187
Other depreciation	(20,075)	(28)
Excess of assets acquired over liabilities assumed in acquisition of Counseling Services, Inc.	<u>6,004,913</u>	<u>-</u>
	<u>5,875,238</u>	<u>108,159</u>
Excess (deficiency) of revenue over expenses	\$ <u>6,239,592</u>	\$ <u>(247,657)</u>

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

**MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES**

**Consolidated Statements of Changes in Net Assets**

**Years Ended September 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Unrestricted revenue and other support		
Excess (deficiency) of revenue over expenses	\$ 6,239,592	\$ (247,657)
Net asset transfers to MaineHealth	<u>(88,949)</u>	<u>-</u>
Increase (decrease) in unrestricted net assets	<u>6,150,643</u>	<u>(247,657)</u>
Temporarily restricted net assets		
Gifts and donations	293,352	15,611
Counseling Services, Inc.'s temporarily restricted net assets as of February 28, 2011	6,945	-
Other	-	500
Net assets released from restrictions used for operations	<u>(82,599)</u>	<u>(82,342)</u>
Increase (decrease) in temporarily restricted net assets	217,698	(66,231)
Permanently restricted net assets		
Change in beneficial interest in perpetual trusts	<u>(10,544)</u>	<u>1,405</u>
Increase (decrease) in net assets	6,357,797	(312,483)
Net assets, beginning of year	<u>11,305,113</u>	<u>11,617,596</u>
Net assets, end of year	<u>\$ 17,662,910</u>	<u>\$ 11,305,113</u>

---

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

**MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**Years Ended September 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities		
Increase (decrease) in net assets	\$ 6,357,797	\$ (312,483)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities		
Net asset transfers to MaineHealth	88,949	-
Depreciation and amortization	1,672,404	1,316,545
Accretion of bond discount	15,221	18,657
Net realized (gain) loss on sale of investments	(9,249)	2,008
Net unrealized loss (gain) on investments	16,415	(29,126)
Restricted contributions and investment income	-	(15,611)
Change in value of beneficial interest in perpetual trusts	10,544	(1,405)
Provision for bad debts	1,163,025	882,942
Loss on disposal of fixed assets	-	28
Excess of assets acquired over liabilities assumed in acquisition of Counseling Services, Inc	(6,011,858)	-
Change in interest rate swap liability	155,451	-
Increase (decrease) in cash resulting from a change in		
Patient accounts receivable, net	(152,934)	(1,346,489)
Accounts receivable, other	(810,192)	(75,071)
Inventories	(15,744)	(34,088)
Prepaid expenses and other current assets	68,240	(31,729)
Amounts receivable under reimbursement regulations	828,994	401,620
Accounts payable, accrued expenses and other current liabilities	(696,836)	471,783
Accrued payroll, payroll taxes and amounts withheld	(644,615)	466,140
Accrued vacation, holiday and sick pay	(24,475)	77,361
Accrued interest payable	(6,500)	(24,907)
Due to affiliates, net	1,243,359	(100,754)
Amounts payable under reimbursement regulations	2,601,191	-
Net cash provided by operating activities	<u>5,849,187</u>	<u>1,665,421</u>
Cash flows from investing activities		
Purchases of property, plant and equipment	(811,217)	(287,133)
Change in short term investments and assets whose use is limited	(180,695)	(161,972)
Counseling Services, Inc 's February 28, 2011 cash and cash equivalents balance	966,463	-
Net cash used by investing activities	<u>(25,449)</u>	<u>(449,105)</u>
Cash flows from financing activities		
Net asset transfers to MaineHealth	(88,949)	-
Borrowings on line of credit	830,000	450,000
Payments of long-term debt	(812,210)	(632,988)
Restricted contributions and investment income	-	15,611
Net cash used by financing activities	<u>(71,159)</u>	<u>(167,377)</u>
Increase in cash and cash equivalents	5,752,579	1,048,939
Cash and cash equivalents at beginning of year	4,673,003	3,624,064
Cash and cash equivalents at end of year	<u>\$ 10,425,582</u>	<u>\$ 4,673,003</u>
Supplemental information		
Interest paid	<u>\$ 1,263,645</u>	<u>\$ 1,199,711</u>

In 2010, \$361,504 of property, plant and equipment was acquired through the assumption of certain liabilities (\$157,833) and debt (\$203,671), which has not been reflected on the statements of cash flows.

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

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

### 1. Reporting Entity

#### Organization

The consolidated financial statements of Maine Mental Health Partners and Subsidiaries (MMHP) consist of the following member organizations: Spring Harbor Hospital (SHH), Spring Harbor Community Services (SHCS), Community Counseling Center (CCC) and Counseling Services, Inc. (CSI).

MMHP is a subsidiary of MaineHealth, an integrated health care delivery system serving Southern, Western and Central Maine. MaineHealth is also the parent company of Maine Medical Center (MMC) and Subsidiaries, Lincoln County Health Care and Subsidiaries, Western Maine Health Care Corporation and Subsidiaries, Home Health Visiting Nurses of Southern Maine, NorDx, Maine Medical Partners, Maine Physician Hospital Organization, Inc., Synernet, Inc., Waldo County Healthcare, Inc. and Subsidiaries, Southern Maine Medical Center and Subsidiaries and Pen Bay Healthcare and Subsidiaries.

MMHP was formed on October 1, 2008 for the purpose of leading in the development of an integrated mental health care network that provides a broad range of mental health care services for populations in Maine. Through MMHP's member organizations, the network provides services along the full continuum of care as is necessary to improve the mental health status of people in Maine in a cost effective manner.

SHH is a not-for-profit 100-bed psychiatric hospital established to provide acute inpatient care for populations in Maine and Northern New England.

SHCS is a not-for-profit organization established to provide direct care services to the public, assist other health care providers in the management of mental health services and to collaborate with other community providers in the provision of community-based services. SHCS also owns Integrated Behavioral Healthcare, Inc (IBH), a physician-managed private mental health practice that serves individuals and families. Mid-Coast Mental Health (MCMH) is a community-based mental health center that provides a broad range of services to populations in Coastal Maine. MCMH began operations under SHCS on February 1, 2010.

CCC is a not-for-profit community-based outpatient mental health provider that provides a broad range of services to populations in southern Maine.

Effective March 1, 2011, Counseling Services, Inc. (CSI) became a member of MMHP. CSI is a community-based mental health provider offering a broad range of mental health services to populations in Southern Maine.

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

An opinion of the value was obtained on the fair value of 100% interest of CSI as of February 28, 2011. The fair value of each major class of consideration was as follows:

Current assets	\$ 2,841,901
Net fixed assets	7,224,819
Other assets	<u>2,305,984</u>
Total assets	\$ 12,372,704
Current liabilities	2,533,545
Long-term liabilities	<u>3,827,301</u>
Total liabilities	\$ <u>6,360,846</u>

The excess of fair value of assets acquired over liabilities assumed was recorded as a gain on acquisition as follows:

Unrestricted	\$ 6,004,913
Temporarily restricted	<u>6,945</u>
Total	\$ <u>6,011,858</u>

### **Basis of Presentation**

The consolidated financial statements include the accounts of MMHP and its controlled subsidiaries (collectively referred to as MMHP). The assets of any member of the consolidated group may not be available to meet the obligations of other members in the group. Upon consolidation, intercompany transactions and balances have been eliminated.

## **2. Significant Accounting Policies**

The accounting policies that affect the more significant elements of the consolidated financial statements are summarized below:

### **Use of Estimates**

The preparation of the consolidated financial statements in conformity with US generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates are made in the areas of patient accounts receivable and amounts receivable under reimbursement regulations.

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

### **Cash and Cash Equivalents**

Cash and cash equivalents include investments in highly liquid debt securities purchased with a maturity date at purchase of three months or less.

### **Assets Whose Use is Limited**

Investments whose use is limited includes specific purpose funds, beneficial interest in perpetual trusts, endowment funds held by MMC, and assets held in trust under debt agreements.

### **Beneficial Interest in Perpetual Trusts**

MMHP is the beneficiary of certain perpetual trusts. MMHP's interest in these perpetual trusts is reported as a contribution in the year received at the fair value of MMHP's share of the trusts' investments which approximates the present value of estimated future distributions. Valuation changes are reported as a change in permanently restricted net assets in the statements of changes in net assets.

### **Inventories**

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

### **Accounts Receivable**

The reserve for uncollectible accounts is provided based on an analysis by management of the collectibility of outstanding balances. Management considers the age of outstanding balances and past collection efforts in determining the reserve for uncollectible accounts. Accounts deemed uncollectible are charged off against the established reserve.

### **Property, Plant and Equipment**

Property, plant and equipment are recorded at cost. The carrying value of long-lived assets is reviewed if facts and circumstances suggest that it may be impaired. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. Interest costs incurred on borrowed funds during the period of construction of capital assets are capitalized as a component of the cost of acquiring those assets

### **Interest Rate Swaps**

MMHP uses interest rate swap contracts to eliminate the cash flow exposure of interest rate movements on variable-rate debt. MMHP has adopted FASB ASC 815, *Derivatives and Hedging*, to account for its interest rate swap contracts. The interest rate swap contracts are not designated as cash flow hedges, and thus are included within the performance indicator.

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

### **Temporarily and Permanently Restricted Net Assets**

Temporarily restricted net assets are those whose use by MMHP has been limited by donors or law to a specific time period or use. Permanently restricted net assets reflect the original value of gifts that have been restricted by donors to be maintained by MMHP in perpetuity, as well as the net present value of the expected future cash flows of perpetual trusts.

Maine state law requires that unless explicitly stated otherwise by donors, realized gains and unrealized appreciation on investments of endowment funds, until appropriated pursuant to proper governing Board action, must be considered temporarily restricted net assets.

### **Donor-Restricted Gifts**

Unconditional promises to give cash and other assets to MMHP are reported at fair value at the date the promise is received. Conditional promises to give are recognized when the conditions are substantially met. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are included in other revenue in the accompanying consolidated financial statements.

### **Excess (Deficiency) of Revenue Over Expenses**

The consolidated statements of operations include excess (deficiency) of revenue over expenses. Changes in unrestricted net assets, which are excluded from excess (deficiency) of revenue over expenses, include contributions of long-lived assets (including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets), and permanent transfers of assets to and from MaineHealth or other member organizations.

### **Net Patient Service Revenue**

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and includes estimated retroactive revenue adjustments due to 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 such audits, reviews and investigations. Contracts, laws and regulations governing the Medicare and MaineCare programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

### **Charity Care and Bad Debts**

All MMHP member organizations provide charity care programs for patients without the ability to pay for care themselves. Care is provided without charge or at amounts less than its established rates to patients who meet certain criteria established by charity care policies. Charity care is measured based on MMHP's established rates. Because MMHP does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue. The costs and expenses incurred in providing these services are included in operating expenses. Revenue for services rendered to individuals from whom payment is expected and ultimately not received is written off and included as part of the allowance for bad debts.

### **Other Revenue**

Revenue, which is not related to patient medical care and which is incidental to the day-to-day operations of MMHP, is included in other revenue. Other revenue primarily includes grant revenue, cafeteria revenue and donor-restricted contributions whose restrictions were met within the same year as received

### **Amounts Receivable/Payable Under Reimbursement Regulations**

Amounts receivable/payable under reimbursement regulations represent estimates of final settlements under government programs (Medicare and MaineCare) and agreements with private insurance companies. Amounts due under these programs will become determinable and final only upon completion of settlement reporting and subsequent audit as required under the terms of agreements with respective third-party reimbursing agencies.

### **Income Tax Status**

MMHP and all of its subsidiaries (except IBH, a subsidiary of SHCS) are not-for-profit organizations as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the IRC. IBH did not have taxable income in 2011 and 2010 and, accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements.

### **Recently Issued Accounting Pronouncements**

In August 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-24, *Health Care Entities (Topic 954), Presentation of Insurance Claims and Related Insurance Recoveries ("ASU 2010-24")*, which clarifies that a health care entity should not net insurance recoveries against a related claim liability. Additionally, the amount of the claim liability should be determined without consideration of insurance recoveries. The provisions of ASU 2010-24 are effective for MMHP beginning October 1, 2011. MMHP has not determined the impact of ASU No. 2010-24 on its financial statements.

## MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2011 and 2010

In August 2010, the FASB issued ASU No. 2010-23, *Health Care Entities (Topic 954), Measuring Charity Care for Disclosure ("ASU 2010-23")*, which requires that cost be used as a measurement for charity care disclosure purposes and that cost be identified as the direct and indirect cost of providing the charity care. It also requires disclosure of the method used to identify or determine such costs. MMHP adopted ASU 2010-23 effective for the year ended September 30, 2011. Since ASU 2010-23 amends disclosure requirements only, its adoption did not impact MMHP's balance sheets, statements of operations, or cash flow statements.

In July 2011, the FASB issued ASU No. 2011-07, *Health Care Entities (Topic 954), Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities ("ASU 2011-07")*, which requires the reclassification of the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue. It also requires enhanced disclosure about the policies for recognizing revenue and assessing bad debts, disclosures of patient service revenue, as well as qualitative and quantitative information about changes in the allowance for doubtful accounts. The provision of ASU 2011-07 are effective for MMHP beginning October 1, 2012. MMHP has not determined the impact of ASU No. 2011-07 on its financial statements.

In January 2010, the FASB issued ASU No. 2010-06, *Improving Disclosures about Fair Value Measurements ("ASU 2010-06")*, which amended ASC No. 820, Fair Value Measurements and Disclosures ("ASC 820") to require new disclosures related to transfers in and out of Level 1 and Level 2 fair value measurements, including the reasons for the transfers, and to require new disclosures related to activity in Level 3 fair value measurements. In addition, ASU 2010-06 clarifies existing disclosure requirements related to the level of disaggregation of classes of assets and liabilities and provides further detail about inputs and valuation techniques used for fair value measurement. The adoption of ASU No. 2010-06 did not have a material impact on MMHP's financial statements. The expanded disclosures are included in Note 6 to the financial statements.

The Organization has adopted Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 805-10, *Not-for-Profit Entities: Mergers and Acquisitions*. ASC Topic 805-10 requires transactions that represent business combinations be accounted for under the acquisition method, recognizing and measuring the identifiable assets acquired and the liabilities assumed, at fair value. Accordingly, the Organization obtained a valuation of Counseling Services, Inc. as of February 28, 2011 and recorded a gain on acquisition as reflected in the financial statements.

#### **Subsequent Events**

For purposes of the preparation of these financial statements in conformity with U.S. generally accepted accounting principles, MMHP has considered transactions or events occurring through February 2, 2012, which was the date the financial statements were available to be issued.

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

### Reclassifications

Certain amounts in the 2010 consolidated financial statements have been reclassified to conform with the 2011 presentation.

### **3. Community Benefit Programs**

As not-for-profit institutions dedicated to community service, MMHP subsidiaries provide many services for the benefit of the community in addition to charity care. These activities include depression screening clinics, targeted outreach to vulnerable populations, as well as providing a number of specific educational seminars on a variety of mental health issues.

MMHP also organizes employee participation in fundraising activities and sponsors several community blood drives each year. MMHP routinely provides meeting space for area nonprofit agencies and community groups. MMHP employees are also involved in numerous nonprofit boards and civic organizations that work to improve the quality of life in Southern Maine.

### **4. Net Patient Service Revenue**

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

*Medicare* – Inpatient acute care services rendered to Medicare program beneficiaries are currently paid under a combination of fee schedule and per diem rates. Outpatient and community-based direct care services are currently paid based upon established fee schedules.

*MaineCare* – Formerly named Medicaid, MaineCare is a medical assistance program offered by the State of Maine Department of Health and Human Services. Inpatient and outpatient services rendered to MaineCare program beneficiaries are reimbursed based on discounts from established charges. MMHP also operates several outpatient programs under contract with the State of Maine, which are reimbursed based on established case rates. Inpatient care is reimbursed at an interim rate with final settlement determined after submission of annual claims data by MMHP and review thereof by the State of Maine Division of Audit.

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

In 2004, the State of Maine, facing significant budget deficits, passed legislation establishing a health care provider tax (State tax). The enactment of the State tax allowed the State of Maine to add revenues to the State of Maine General Fund while minimizing the potential loss of federal matching funds in the MaineCare Program. MMHP's specific portion of the State tax is based on a percentage of MMHP's net operating revenue as defined by the law and was effective retroactive to July 1, 2003. As a result, MMHP recorded \$1,212,705 and \$894,045 of State tax in 2011 and 2010, respectively.

*Other Payors* - MMHP has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to MMHP under these agreements includes discounts from established charges, per diem rates as well as case rate arrangements.

Net patient service revenue for the years ended September 30, 2011 and 2010 consists of the following

	<u>2011</u>	<u>2010</u>
Inpatient services	<b>\$46,082,637</b>	\$44,091,448
Outpatient services	<b><u>34,768,480</u></b>	<u>18,214,317</u>
Total gross charges	<b>80,851,117</b>	62,305,765
Deductions from gross charges		
Contractual adjustments	<b>18,762,232</b>	13,533,989
Charity care	<b><u>6,100,183</u></b>	<u>6,211,015</u>
Net patient service revenue	<b><u>\$55,988,702</u></b>	<u>\$42,560,761</u>

Charity care amounts are determined using charges foregone based on established rates.

MMHP provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its Board-established free care policy. Because MMHP does not pursue collection of amounts determined to qualify as free care, they are not reported as net patient service revenue. MMHP estimates the costs associated with providing charity care by calculating a ratio of total cost to total gross charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for free care. The estimated costs of caring for charity care patients for the years ended September 30, 2011 and 2010, were \$3,778,000 and \$3,918,000, respectively. Funds received from gifts and grants to subsidize charity care services provided for the years ended September 30, 2011 and 2010 were \$160,689 and \$245,726, respectively.

**MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**September 30, 2011 and 2010**

**5. Patient Accounts Receivable**

Patient accounts receivable consists of the following at September 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Patient accounts receivable	\$ <b>14,861,523</b>	\$ 9,683,711
Less:		
Allowances for contractual adjustments from third-party reimbursing agencies	<b>7,588,676</b>	5,214,777
Allowance for bad debts	<u><b>1,834,339</b></u>	<u>800,478</u>
	<u><b>\$ 5,438,508</b></u>	<u>\$ 3,668,456</u>

**6. Financial Instruments**

**Assets Whose Use is Limited**

The composition of investments whose use is limited at September 30, 2011 and 2010 is set forth in the following table:

	<u>2011</u>	<u>2010</u>
Assets held in trust under debt agreement	\$ <b>522,545</b>	\$ 444,397
Assets whose use is limited	<u><b>3,031,645</b></u>	<u>960,029</u>
	<u><b>\$ 3,554,190</b></u>	<u>\$ 1,404,426</u>
Cash and cash equivalents	\$ <b>2,951,011</b>	\$ 788,611
Beneficial interest in perpetual trusts	<b>139,745</b>	150,289
Pooled investments held by MMC	<u><b>463,434</b></u>	<u>465,526</u>
	<u><b>\$ 3,554,190</b></u>	<u>\$ 1,404,426</u>

Returns on investments consisted of the following for the years ended September 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Interest and dividends	\$ <b>53,017</b>	\$ 81,069
Realized gains (losses) on sales of investments, net	<b>9,249</b>	(2,008)
Change in unrealized (losses) gains on investments, net	<u><b>(16,415)</b></u>	<u>29,126</u>
	<u><b>\$ 45,851</b></u>	<u>\$ 108,187</u>

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

Assets whose use is limited include amounts restricted by donors. Also included is the debt service fund which is comprised of monthly deposits to fund principal and interest payments on the Series 2002 Revenue Bonds. The investments required to be trustee under debt agreements were \$445,397 and \$444,397 at September 30, 2011 and 2010, respectively.

At September 30, 2011, CSI is required to have \$77,148 in replacement reserve monies related to various mortgages.

MMC invests certain assets on behalf of MMHP. MMC invests the amount in an investment pool and allocates the return from the investment pool to MMHP. The investment pool is invested in a variety of investments including temporary cash investments, hedge funds, limited partnerships, marketable equity securities, and fixed income securities. The investment amounts are available to MMHP on demand. The amount of assets held by MMC at September 30, 2011 and 2010 is \$463,434 and \$465,526, respectively.

### *Fair Value Measurements*

Generally accepted accounting principles (GAAP) has established a fair value hierarchy that results in classification of assets and liabilities within these different levels. Financial assets and liabilities carried at fair value are classified and disclosed in one of the following categories:

Level 1 — Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 — Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 — Valuations for assets and liabilities that are derived from other valuation methodologies, not based on market transactions. Level 3 valuations incorporate certain assumptions in determining the fair value assigned to such assets or liabilities.

In determining the appropriate levels, MMHP performs a detailed analysis of the assets and liabilities that are subject to fair value measurement. At each reporting period, all assets and liabilities for which the fair value measurement is not based on market transactions are classified as Level 3. Level 3 assets for MMHP include the beneficial interest in perpetual trusts as MMHP's legal interest is in its pro rata portion of the trusts and not the trusts' underlying assets. MMHP's interest is valued based upon its pro rata ownership of the total trust. As the actual assets are not readily available to MMHP, the asset is considered to be Level 3.

**MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**September 30, 2011 and 2010**

The following table presents the balances of investments measured at fair value at September 30, 2011 and 2010:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b><u>2011</u></b>				
Assets				
Cash and cash equivalents	\$ 2,951,011	\$ -	\$ -	\$ 2,951,011
Assets held by MMC	-	463,434	-	463,434
Short term investments	-	5,092,062	-	5,092,062
Beneficial interest in perpetual trusts	-	-	139,745	139,745
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	\$ <u>2,951,011</u>	\$ <u>5,555,496</u>	\$ <u>139,745</u>	\$ <u>8,646,252</u>
Liabilities				
Interest rate swap	\$ <u>                    </u>	\$ <u>511,724</u>	\$ <u>                    </u>	\$ <u>511,724</u>
<b><u>2010</u></b>				
Assets				
Cash and cash equivalents	\$ 788,611	\$ -	\$ -	\$ 788,611
Assets held by MMC	-	465,526	-	465,526
Short term investments	-	5,059,079	-	5,059,079
Beneficial interest in perpetual trusts	-	-	150,289	150,289
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	\$ <u>788,611</u>	\$ <u>5,524,605</u>	\$ <u>150,289</u>	\$ <u>6,463,505</u>

All assets held by MMC are classified as Level 2 as amounts held could be converted to cash at any time.

Assets held at MMC consist of the following at September 30, 2011:

Cash and cash equivalents	1 %
Bonds	11
Marketable equity securities	25
Mutual funds	38
Other	25
	<u>                    </u>
	<u>100 %</u>

Short term investments are funds in a cash pool account held by MMC, comprised of approximately 58% cash and 42% fixed income securities.

Level 2 liabilities are valued at the present value of the expected future cash flows.

A reconciliation of the fair value measurements using significant unobservable inputs (Level 3) is as follows:

	<u>2011</u>	<u>2010</u>
Beginning balance	\$ 150,289	\$ 148,884
Change in value	<u>(10,544)</u>	<u>1,405</u>
	\$ <u>139,745</u>	\$ <u>150,289</u>

**MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**September 30, 2011 and 2010**

**Long-Term Debt**

At September 30, 2011 and 2010, long-term debt consists of the following

	<u>2011</u>	<u>2010</u>
Maine Health and Higher Educational Facilities Authority (MHHEFA), SHH Revenue Bond Series 2002 Serial Bonds; payable in various installments of principal and interest through 2032, interest rates ranging from 4.00% to 5.13% (net of original issue discount of \$204,855 and \$220,076 at September 30, 2011 and 2010, respectively).	<b>\$ 21,554,118</b>	\$ 22,188,897
Mortgage notes payable in monthly installments of \$1,879, including interest at 4.25% and 6.00% through 2017 and 2026; collateralized by land and buildings in Rockland, Maine.	<b>186,782</b>	195,683
Mortgage note payable through TD Bank in monthly installments of \$17,468 including interest at 1.55% through 2028; collateralized by land and buildings in Biddeford, Maine	<b>2,765,698</b>	-
Mortgage note payable through TD Bank in monthly installments of \$8,374 including interest at 1.55% through 2017; collateralized by land and buildings in Springvale, Maine	<b>535,546</b>	-
Note payable to Maine State Housing Authority, original principal amount of \$480,994 without interest, 20% of the original principal forgiven upon the closing date of the note, 40% forgivable 15 years after the closing date, and the balance of the note forgivable 30 years after the closing date; collateralized by land and building located in Sanford, Maine.	<b>384,795</b>	-
Note payable to Maine State Housing Authority, original principal of \$150,000 without interest. Repayment is deferred until the earliest of 1) a sale, assignment or other transfer or change in use of the High Street property, 2) a default under the loan documents, or 3) 30 years from the closing date of the loan, collateralized by land, building, machinery, equipment, and fixtures in Sanford, Maine.	<b>150,000</b>	-
1% note payable to MSHA, due in monthly installments including interest of \$564; collateralized by land and building in Biddeford, due January 2022.	<u><b>64,340</b></u>	<u>-</u>
	<b>25,641,279</b>	22,384,580
Less portion classified as current liability	<u><b>(938,947)</b></u>	<u>(644,567)</u>
	<b><u>\$ 24,702,332</u></b>	<b><u>\$ 21,740,013</u></b>

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

During 2002, SHH issued through the MHHEFA Revenue Bonds, Spring Harbor Hospital Series 2002 for \$26,808,972 (the Bonds). The Bonds require monthly payments of approximately \$150,000. The proceeds were used to build a 100-bed replacement psychiatric facility and acquire a new computer information system. The 2002 Revenue Bonds are included in the MaineHealth Master Trust Indenture Agreement (see below). Under the terms of the Bonds, SHH is required to maintain certain deposits with a trustee. Such deposits are included with assets held in trust under debt agreements.

Deferred financing costs represent the costs incurred in connection with the issuance of the Bonds. These costs are being amortized on a straight-line basis over the term of the Bonds. Amortization expense for the years ended September 30, 2011 and 2010 was \$11,208. The original issue discount is accreted over the term of the Bonds using the effective interest method.

Maturities of long-term debt for the five fiscal years after September 30, 2011 and years thereafter are as follows:

2012	\$ 938,947
2013	980,795
2014	1,010,910
2015	1,042,294
2016	1,078,118
Thereafter	<u>20,590,215</u>
	<u>\$25,641,279</u>

SHH is part of an uncollateralized Master Trust Indenture Agreement (the Agreement) with MaineHealth and certain of its member organizations. Under the Agreement, SHH is jointly and severally liable with MaineHealth and certain of its member organizations (collectively, the Obligated Group) for the payment of certain obligations and performance of covenants. At September 30, 2011, the Obligated Group has obligations totaling approximately \$192,799,000 (which includes the MMHP MHHEFA note of \$21,554,118) that are covered under the Agreement.

### Lines of Credit

On July 27, 2010, MMHP entered into a line of credit agreement with a bank with interest at LIBOR plus 1.5%, with a floor rate of 2.00%. The rate at September 30, 2011 was 2.00%. The maximum borrowing under the line of credit is \$2,750,000. At September 30, 2011 and 2010 the outstanding balance was \$970,000 and \$450,000 respectively. The line of credit expires on March 31, 2012.

On October 21, 2010, Counseling Services, Inc. entered into a line of credit agreement with a bank with interest at LIBOR plus 2.75%. The rate at September 30, 2011 was 3.25%. The maximum borrowing under the line of credit is \$2,000,000. At September 30, 2011, the outstanding balance was \$310,000. The line of credit expires on November 30, 2011.

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

### Interest Rate Swap

In connection with the notes payable through TD Bank, Counseling Services, Inc (CSI) entered into two interest rate swap agreements to hedge the interest rate risk associated with the notes. Under these agreements, CSI makes and receives payments based on the difference between the fixed-rate interest payments and the variable market-indexed payments. The notional amounts of the interest rate swaps outstanding totaled \$3,301,233 at September 30, 2011. The two interest rate swap agreements, expiring on December 21, 2020 and July 13, 2017, respectively, require CSI to pay a fixed interest rate of 5.20% and 5.55% in exchange for variable rates of 1.5615% and 1.5583% at September 30, 2011.

CSI is required to include the fair value of the swap in the balance sheet, and annual changes, if any, in the fair value of the swap in the statement of operations. For example, during the Bonds' 20-year holding period, the annually calculated value of the swap will be reported as an asset if the interest rates increase above those in effect on the date the swap was entered into (and as an unrealized gain in the statement of operations), which will generally be indicative that the net fixed rate CSI is paying is below market expectations of rates during the remaining term of the swap. The swap will be reported as a liability (and as an unrealized loss in the statement of operations) if interest rates decrease below those in effect on the date the swap was entered into, which will generally be indicative that the net fixed rate CSI is paying on the swap is above market expectations of rates during the remaining term of the swap. These annual accounting adjustments of value changes in the swap transaction are non-cash recognition requirements, the net effect of which will be zero at the end of the 20-year terms. CSI retains the sole right to terminate the swap agreements should the need arise. CSI recorded the swap at its liability position of \$511,724 at September 30, 2011.

### 7. Property, Plant and Equipment

Property, plant and equipment consists of the following at September 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Land	\$ 2,915,688	\$ 1,349,096
Land improvements	1,318,548	702,299
Buildings	30,675,570	23,604,361
Leasehold improvements	544,381	345,512
Fixed equipment	2,048,296	508,288
Movable equipment	1,661,381	1,480,700
Computer and telecommunications equipment	3,486,321	2,878,335
Construction in progress	<u>1,436</u>	<u>170,077</u>
	<b>42,651,621</b>	31,038,668
Less accumulated depreciation	<b><u>(14,143,295)</u></b>	<b><u>(9,265,434)</u></b>
	<b><u>\$ 28,508,326</u></b>	<b><u>\$ 21,773,234</u></b>

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

Depreciation expense for the years ended September 30, 2011 and 2010 was \$1,661,196 and \$1,305,337, respectively.

### 8. Retirement Plans

SHH sponsors a 401(k) retirement plan whereby employees of MMHP, SHH and SHCS may elect to make contributions pursuant to a salary and wage withholding agreement upon meeting certain age and service requirements. Under the plan, all employees 21 years of age or older with one year of active service receive an employer contribution equal to 3% of their gross earnings. Employer contributions for the years ended September 30, 2011 and 2010 approximated \$757,000 and \$741,000, respectively.

CCC maintained a money purchase pension plan and a 403(b) plan covering substantially all its employees until both plans were terminated on October 1, 2009. The plans' assets were transferred to a 403(b) plan effective October 1, 2009. Under the new 403(b) plan, the employer may contribute 3% of eligible compensation. CCC did not make any contributions during 2011 and contributions for the year ended September 30, 2010 were approximately \$60,000.

CSI maintains a 403(b) plan covering substantially all eligible employees. Under the plan, all employees 21 years of age or older with one year of active service receive a discretionary employer contribution, depending on whether adequate resources are available to make a contribution for employees. Employer contributions for the period ended September 30, 2011 was approximately \$116,500.

### 9. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are restricted primarily for health care services or property, plant and equipment and consist of the following at September 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Donor restricted specific purpose funds	\$ 337,687	\$ 110,186
Plant replacement funds	<u>                  -</u>	<u>          9,803</u>
	<u>\$ 337,687</u>	<u>\$ 119,989</u>

Permanently restricted net assets are required to be held in perpetuity, the income from which is expendable primarily to support MMHP's operations and consist of the following at September 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Endowment funds	\$ 477,892	\$ 477,891
Beneficial interest in perpetual trust	<u>139,744</u>	<u>150,289</u>
	<u>\$ 617,636</u>	<u>\$ 628,180</u>

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

Included in endowment funds are assets totaling \$350,000 at September 30, 2011 and 2010 whose earnings are unrestricted and which totaled \$(2,093) and \$33,229 for the years ended September 30, 2011 and 2010, respectively.

### 10. Concentration of Credit Risk

Revenues from the Medicare and MaineCare programs accounted for approximately 66% and 61%, respectively, of MMHP's net patient service revenue for the years ended September 30, 2011 and 2010. Laws and regulations governing the Medicare and MaineCare programs are complex and subject to interpretation. MMHP believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries have been made, 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 MaineCare programs.

Financial instruments which potentially subject MMHP to concentrations of credit risk consist of cash and cash equivalents and patient accounts receivable. The risk with respect to cash equivalents is minimized by MMHP's policy of investing in financial instruments with short-term maturities issued by highly rated financial institutions. MMHP maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. MMHP has not experienced any losses in such accounts and believes it is not exposed to any significant risk at September 30, 2011. MMHP grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at September 30, 2011 and 2010 was as follows:

	<u>2011</u>	<u>2010</u>
Medicare	11 %	18 %
MaineCare	65	52
Anthem Blue Cross and Blue Shield	5	14
Other third-party payors	11	9
Patients	<u>8</u>	<u>7</u>
	<u>100 %</u>	<u>100 %</u>

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

### 11. Functional Expenses

MMHP provides health care services through its acute care and outpatient facilities. Expenses related to providing these services are as follows for the years ended September 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Professional care of patients	<b>\$46,517,784</b>	\$34,735,114
Dietary	<b>1,094,947</b>	1,045,724
Household and property	<b>3,452,729</b>	2,478,027
Administrative services	<b>5,774,385</b>	4,784,848
State taxes	<b>1,212,705</b>	894,045
General services	<b>3,966,618</b>	3,938,870
Interest	<b>1,257,145</b>	1,174,804
Depreciation and amortization	<b>1,652,329</b>	1,316,545
Provision for bad debts	<b><u>1,163,025</u></b>	<u>882,942</u>
	<b><u>\$66,091,667</u></b>	<b><u>\$51,250,919</u></b>

### 12. Commitments and Contingencies

MMHP maintains malpractice and general liability insurance on a claims-made basis. As of September 30, 2011, no known malpractice claims have been asserted against MMHP which, either individually or in the aggregate, are in excess of insurance coverage. MMHP intends to renew coverage on a claims-made basis and anticipates that such coverage will be available. At September 30, 2011 and 2010, an accrual of \$230,000 for estimated claims incurred, but not reported, has been recorded by MMHP as other long-term liabilities.

CSI provides employee health benefits through a self-insured plan. The contract for excess insurance provides coverage for individual claims over \$40,000 and aggregate claims of approximately \$1,300,000 for the plan year ended December 31, 2011.

MMHP is subject to complaints, claims and litigation which have risen in the normal course of business. In addition, MMHP is subject to compliance with laws and regulations of various governmental agencies. Recently, governmental review of compliance with these laws and regulations increased resulting in fines and penalties for noncompliance by individual health care providers. Compliance with these laws and regulations is subject to future government review, interpretation or actions which are unknown and unasserted at this time.

#### Information Technology Investment

On December 2, 2010, MaineHealth's Board of Trustees approved \$90.5 million in capital expenditures to acquire and implement an enterprise-wide software solution to include inpatient clinical information systems, financial management systems, and human resource management systems. Management has proposed that the budget for this initiative be increased by \$15.5

# MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

September 30, 2011 and 2010

million to \$106 million in order to expand its scope to include several additional clinical modules and complete the installation of the new systems at all the Organization's member hospitals in time for them to recover the maximum subsidies available to them under the American Reinvestment and Recovery Act. Management currently estimates that such recoveries will exceed \$40 million MMHP's allocated portion of the expenditure is estimated at \$3.8 million.

### Operating Leases

MMHP leases certain operating facilities and office equipment under operating leases. Total rent expense under these leases amounted to approximately \$1,117,760 and \$870,000 in 2011 and 2010, respectively.

Future minimum payments under noncancellable operating leases as of September 30, 2010 are:

2012	\$ 923,000
2013	754,000
2014	656,000
2015	533,000
2016	<u>595,000</u>
	<u>\$ 3,461,000</u>

### 13. Related Party Transactions

Net amounts due to related entities, resulting from charges to and from affiliates, were \$1,341,981 and \$98,622 at September 30, 2011 and 2010, respectively.

MMHP (other than CSI) purchases medical and workers' compensation coverage from Maine Medical Center on behalf of its employees. MMHP's employee medical insurance expense under this plan was approximately \$5,584,000 and \$4,775,000 for the years ended September 30, 2011 and 2010, respectively. MMHP's workers' compensation expense under this plan for 2011 and 2010 was approximately \$643,000 and \$435,000, respectively. There are no retroactive adjustments to MMHP for amounts paid to MaineHealth for the employee health benefits or workers compensation.

MMHP received \$314,920 and \$123,122 in payments from MaineHealth and affiliates for the years ended September 30, 2011 and 2010, respectively. These payments are in exchange for MMHP acquiring and operating mental health programs and providing management of outpatient psychiatry programs for various affiliates.

MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

Consolidating Balance Sheet

September 30, 2011

ASSETS

	Maine Mental Health Partners	Spring Harbor Hospital	Spring Harbor Community Services	Community Counseling Center	Counseling Services, Inc.	Eliminations	Consolidating Activity	Consolidated
<b>Current assets</b>								
Cash and cash equivalents	\$ 372,349	\$ 8,846,199	\$ 710,896	\$ 7,756	\$ 488,382	\$ -	\$ -	\$ 10,425,582
Assets held in trust under debt agreement	-	445,397	-	-	-	-	-	445,397
Short term investments	-	5,092,062	-	-	-	-	-	5,092,062
Patient accounts receivable, net	-	1,139,077	1,812,544	545,302	1,941,585	-	-	5,438,508
Accounts receivable, other	1,500	436,797	1,384,147	171,757	44,345	-	-	2,038,546
Due from related parties	867,474	-	-	20,008	-	(887,482)	-	-
Inventories	-	262,936	6,126	-	-	-	-	269,062
Prepaid expenses and other current assets	18,579	57,792	32,329	12,241	64,459	-	-	185,400
Total current assets	<u>1,259,902</u>	<u>16,280,260</u>	<u>3,946,042</u>	<u>757,064</u>	<u>2,538,771</u>	<u>(887,482)</u>	-	<u>23,894,557</u>
<b>Assets whose use is limited by</b>								
Specific purpose funds	-	92,426	9,910	138,866	1,976,433	-	-	2,217,635
Grant funds	-	196,374	-	-	-	-	-	196,374
Beneficial interest in perpetual trusts	-	-	-	139,745	-	-	-	139,745
Endowment funds	-	350,000	-	127,891	-	-	-	477,891
Assets held in trust under debt agreements	-	445,397	-	-	77,148	-	-	522,545
Assets held in trust under debt agreements, current portion	-	1,084,197	9,910	406,502	2,053,581	-	-	3,554,190
	-	(445,397)	-	-	-	-	-	(445,397)
	-	638,800	9,910	406,502	2,053,581	-	-	3,108,793
Property, plant and equipment, net	212,839	19,960,917	454,860	542,475	6,286,784	-	1,050,451	28,508,326
Deferred financing costs	-	233,482	-	-	19,561	-	(19,561)	233,482
Total assets	<u>\$ 1,472,741</u>	<u>\$ 37,113,459</u>	<u>\$ 4,410,812</u>	<u>\$ 1,706,041</u>	<u>\$ 10,898,697</u>	<u>\$ (887,482)</u>	<u>\$ 1,030,890</u>	<u>\$ 55,745,158</u>

MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

Consolidating Balance Sheet (Concluded)

September 30, 2011

LIABILITIES AND NET ASSETS

	Maine Mental Health Partners	Spring Harbor Hospital	Spring Harbor Community Services	Community Counseling Center	Counseling Services, Inc.	Eliminations	Consolidating Activity	Consolidated
Current liabilities	\$ 970,000	\$ -	\$ -	\$ -	\$ 310,000	\$ -	\$ -	\$ 1,280,000
Lines of credit	-	663,736	12,211	71,827	263,000	(71,827)	-	938,947
Current portion of long-term debt	38,272	696,225	203,631	79,261	380,574	-	-	1,397,963
Accounts payable, accrued expenses and other current liabilities	171,352	766,437	486,449	152,008	332,044	-	-	1,908,290
Accrued payroll, payroll taxes and amounts withheld	141,048	904,187	346,842	98,913	440,246	-	-	1,931,236
Accrued vacation, holiday and sick pay	-	314,852	-	-	-	-	-	314,852
Accrued interest payable	-	428,475	1,163,450	158,680	76,658	(485,482)	-	1,341,981
Due to affiliates	1,320,672	3,773,912	2,212,583	560,689	1,802,722	(557,309)	-	9,113,269
Total current liabilities								
Amounts payable under reimbursement regulations	-	3,398,886	174,586	-	(48,549)	-	-	3,524,923
Long-term debt, net of current portion	-	20,890,382	174,571	330,173	3,637,379	(330,173)	-	24,702,332
Interest rate swap	-	-	-	-	511,724	-	-	511,724
Other long-term liabilities	-	230,000	-	-	-	-	-	230,000
Total liabilities	1,320,672	28,293,180	2,561,740	890,862	5,903,276	(887,482)	-	38,082,248
Net assets								
Unrestricted	152,069	8,309,847	1,839,162	388,767	4,986,852	-	1,030,890	16,707,587
Temporarily restricted	-	160,432	9,910	158,776	8,569	-	-	337,687
Permanently restricted	-	350,000	-	267,636	-	-	-	617,636
Total net assets	152,069	8,820,279	1,849,072	815,179	4,995,421	-	1,030,890	17,662,910
Total liabilities and net assets	\$ 1,472,741	\$ 37,113,459	\$ 4,410,812	\$ 1,706,041	\$ 10,898,697	\$ (887,482)	\$ 1,030,890	\$ 55,745,158

MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

Consolidating Statement of Operations

Year Ended September 30, 2011

	Maine Mental Health Partners	Spring Harbor Hospital	Spring Harbor Community Services	Community Counseling Center	Counseling Services, Inc.	Eliminations	Consolidating Activity	Consolidated
Unrestricted revenue and other support								
Net patient service revenue	\$ 5,186,143	\$ 31,193,665	\$ 9,092,149	\$ 4,561,676	\$ 11,141,212	\$ -	\$ -	\$ 55,988,702
Other revenue	-	839,354	6,835,209	1,649,192	1,417,596	(5,542,774)	-	10,384,720
Net assets released from restrictions used for operations	-	48,658	2,740	30,956	245	-	-	82,599
Total unrestricted revenue and other support	<u>5,186,143</u>	<u>32,081,677</u>	<u>15,930,098</u>	<u>6,241,824</u>	<u>12,559,053</u>	<u>(5,542,774)</u>	<u>-</u>	<u>66,456,021</u>
Expenses								
Salaries	2,683,976	16,776,896	9,595,687	3,644,078	7,548,149	-	-	40,248,786
Employee benefits	647,684	4,539,399	2,697,528	816,655	1,939,942	-	-	10,641,208
Medical supplies	2,545	518,684	3,414	-	1,586	-	-	526,229
Nonmedical supplies	54,522	643,692	189,452	38,931	134,442	-	-	1,061,039
Purchased services	1,106,403	1,021,888	380,178	427,239	595,576	-	-	3,531,284
Professional fees	-	90,923	478	-	210,305	-	-	301,706
Facility costs	388,568	624,901	767,105	585,524	630,589	(276,765)	-	2,719,922
State taxes	-	770,510	198,330	44,347	199,518	-	-	1,212,705
Interest	2,297	1,136,308	4,809	14,184	108,455	(8,908)	-	1,257,145
Depreciation and amortization	135,034	1,049,934	85,801	35,778	345,782	-	-	1,652,329
Provision for bad debts	-	666,903	453,285	32,033	10,804	-	-	1,163,025
Member fee	-	3,157,149	1,474,895	448,395	176,662	(5,257,101)	-	-
Other depreciation	170,054	556,329	329,718	251,300	468,888	-	-	1,776,289
Total expenses	<u>5,191,083</u>	<u>31,553,516</u>	<u>16,180,680</u>	<u>6,338,464</u>	<u>12,370,698</u>	<u>(5,542,774)</u>	<u>-</u>	<u>66,091,667</u>
Operating income (loss), before other operating activity	<u>(4,940)</u>	<u>528,161</u>	<u>(250,582)</u>	<u>(96,640)</u>	<u>188,355</u>	<u>-</u>	<u>-</u>	<u>364,354</u>
Nonoperating gains (expenses)								
Loss on interest rate swap	-	-	-	-	(155,451)	-	-	(155,451)
Return on investments	-	38,588	46	7,217	-	-	-	45,851
Other	-	-	-	-	-	-	(20,075)	(20,075)
Excess of assets acquired over liabilities assumed in acquisition of Counseling Services, Inc.	-	-	-	-	(155,451)	-	6,004,913	6,004,913
	-	38,588	46	7,217	-	-	5,984,838	5,875,238
Excess (deficiency) of revenue over expenses	<u>(4,940)</u>	<u>\$ 566,749</u>	<u>\$ (250,536)</u>	<u>\$ (89,423)</u>	<u>\$ 32,904</u>	<u>\$ -</u>	<u>\$ 5,984,838</u>	<u>\$ 6,239,592</u>

MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

Consolidating Balance Sheet

September 30, 2010

ASSETS

	Maine Mental Health Partners	Spring Harbor Hospital	Spring Harbor Community Services	Community Counseling Center	Eliminations	Consolidated
Current assets						
Cash and cash equivalents	\$ 8,551	\$ 3,676,381	\$ 685,622	\$ 302,449	\$ -	\$ 4,673,003
Asset held in trust under debt agreement	-	444,397	-	-	-	444,397
Short term investments	-	5,059,079	-	-	-	5,059,079
Patient accounts receivable, net	-	1,078,034	1,752,010	838,412	-	3,668,456
Accounts receivable, other	-	-	1,124,425	172,696	-	1,297,121
Due from related parties	937,452	-	-	-	(937,452)	-
Inventories	-	249,041	4,277	-	-	253,318
Prepaid expenses and other current assets	36,199	112,803	42,986	29,606	-	221,594
Total current assets	<u>982,202</u>	<u>10,619,735</u>	<u>3,609,320</u>	<u>1,343,163</u>	<u>(937,452)</u>	<u>15,616,968</u>
Investments whose use is limited by						
Specific purpose funds	-	63,635	5,405	50,949	-	119,989
Grant funds	-	209,360	2,500	-	-	211,860
Beneficial interest in perpetual trusts	-	-	-	150,289	-	150,289
Endowment funds	-	350,000	-	127,891	-	477,891
Assets held in trust under debt agreements	-	<u>444,397</u>	-	-	-	<u>444,397</u>
Assets held in trust under debt agreements, current portion	-	1,067,392	7,905	329,129	-	1,404,426
	-	<u>(444,397)</u>	<u>7,905</u>	<u>329,129</u>	-	<u>(444,397)</u>
Amounts receivable under reimbursement regulations	-	877,543	-	-	-	877,543
Property, plant and equipment, net	325,292	20,863,292	469,744	114,906	-	21,773,234
Deferred financing costs	-	<u>244,690</u>	-	-	-	<u>244,690</u>
Total assets	<u>\$ 1,307,494</u>	<u>\$ 33,228,255</u>	<u>\$ 4,086,969</u>	<u>\$ 1,787,198</u>	<u>\$ (937,452)</u>	<u>\$ 39,472,464</u>

MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

Consolidating Balance Sheet (Concluded)

September 30, 2010

LIABILITIES AND NET ASSETS

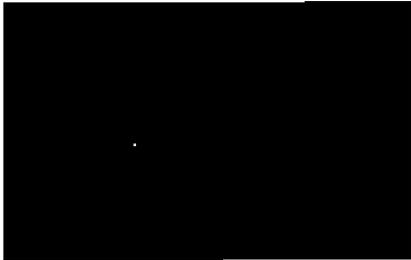
	Maine Mental Health Partners	Spring Harbor Hospital	Spring Harbor Community Services	Community Counseling Center	Eliminations	Consolidated
Current liabilities						
Line of credit	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ 450,000
Current portion of long-term debt	-	633,280	11,287	-	-	644,567
Accounts payable, accrued expenses and other current liabilities	223,472	600,026	522,774	308,432	-	1,654,704
Accrued payroll, payroll taxes and amounts withheld	196,067	743,074	431,523	222,413	-	1,593,077
Accrued vacation, holiday and sick pay	185,426	838,102	328,235	83,253	-	1,435,016
Accrued interest payable	-	321,352	-	-	-	321,352
Due to affiliates	9,117	140,025	513,651	373,281	(937,452)	98,622
Total current liabilities	1,064,082	3,275,859	1,807,470	987,379	(937,452)	6,197,338
Long-term debt, net of current portion	-	21,555,617	184,396	-	-	21,740,013
Other long-term liabilities	-	230,000	-	-	-	230,000
Total liabilities	1,064,082	25,061,476	1,991,866	987,379	(937,452)	28,167,351
Net assets						
Unrestricted	243,412	7,753,144	2,089,698	470,690	-	10,556,944
Temporarily restricted	-	63,635	5,405	50,949	-	119,989
Permanently restricted	-	350,000	-	278,180	-	628,180
Total net assets	243,412	8,166,779	2,095,103	799,819	-	11,305,113
Total liabilities and net assets	\$ 1,307,494	\$ 33,228,255	\$ 4,086,969	\$ 1,787,198	\$ (937,452)	\$ 39,472,464

MAINE MENTAL HEALTH PARTNERS AND SUBSIDIARIES

Consolidating Statement of Operations

Year Ended September 30, 2010

	Maine Mental Health Partners	Spring Harbor Hospital	Spring Harbor Community Services	Community Counseling Center	Eliminations	Consolidated
Unrestricted revenue and other support						
Net patient service revenue	\$ -	\$ 30,844,513	\$ 7,677,519	\$ 4,038,729	\$ -	\$ 42,560,761
Other revenue	4,675,580	1,060,827	5,828,687	1,637,260	(4,950,354)	8,252,000
Net assets released from restrictions used for operations	-	20,792	4,097	57,453	-	82,342
Total unrestricted revenue and other support	4,675,580	31,926,132	13,510,303	5,733,442	(4,950,354)	50,895,103
Expenses						
Salaries	2,718,600	17,287,212	8,329,656	3,636,339	-	31,971,807
Employee benefits	662,174	4,319,413	1,999,490	830,567	-	7,811,644
Medical supplies	9,935	463,363	2,771	-	-	476,069
Nonmedical supplies	60,078	648,563	133,100	39,233	-	880,974
Purchased services	749,253	1,040,190	297,324	471,269	-	2,558,036
Professional fees	-	54,059	25,628	-	-	79,687
Facility costs	303,749	642,127	655,722	523,321	(276,764)	1,848,155
State taxes	-	699,512	164,605	29,928	-	894,045
Interest	21,875	1,146,337	17,261	8,000	(18,669)	1,174,804
Depreciation and amortization	171,479	1,038,319	52,100	54,647	-	1,316,545
Provision for bad debts	-	597,104	267,406	18,432	-	882,942
Member fee	-	3,065,076	1,270,521	337,993	(4,673,590)	-
Other	186,642	618,678	298,730	252,161	-	1,356,211
Total expenses	4,883,785	31,619,953	13,514,314	6,201,890	(4,969,023)	51,250,919
Operating income (loss)	(208,205)	306,179	(4,011)	(468,448)	18,669	(355,816)
Nonoperating gains (expenses)						
Return on investments	17,694	100,605	121	8,436	(18,669)	108,187
Other	-	(28)	-	-	-	(28)
	17,694	100,577	121	8,436	(18,669)	108,159
Excess (deficiency) of revenue over expenses	(190,511)	406,756	(3,890)	(460,012)	-	(247,657)





# Maine Mental Health Partners

MaineHealth

## Community Benefits Report - FY11

### I. Why create a Community Benefits report?

This report summarizes Maine Mental Health Partners' community benefits efforts over the past fiscal year – FY2011. Maine Mental Health Partners' day-to-day operations as a tax-exempt organization include community educational programs, health professions education, charitable giving, and many other efforts. With these programs, Maine Mental Health Partners (MMHP) hopes to fill existing local gaps, while making a positive impact in the communities we serve. The final section (VIII) of this report provides a financial summary of charity care, bad debt, government-sponsored healthcare, and all subsidized community programs and other support.

### II. Organizational Description and Information

Maine Mental Health Partners (MMHP) was established in October 2008 with the intention of creating greater clinical coordination and efficiencies, thus improving the delivery of mental health services for people within the regions served by its parent organization, MaineHealth. The result is the development of an integrated network of nonprofit mental health treatment providers that offer high-quality direct care while also benefitting from pooling resources and purchasing power and sharing the cost of administrative functions such as human resources, information technology, legal services, finance support, and billing.

Today, MMHP is the parent of a network of nonprofit providers that includes the following members:

- Spring Harbor Hospital, Westbrook, Maine – A 100-bed psychiatric hospital providing acute inpatient care
- Community Counseling Center, Portland, Maine – A community-based outpatient mental health provider
- Counseling Services, Inc., Saco, Maine – A community-based outpatient mental health provider
- Spring Harbor Community Services (SHCS), Portland, Maine – A community-based organization comprised of the following: Integrated Behavioral Healthcare, a physician-managed private mental health practice in Scarborough; Mid-Coast Mental Health Center, a community-based mental health agency in Rockland; ACCESS Adult ACT Team in Portland; ANCHOR Child and Adolescent ACT

Program in Portland, and Spring Harbor Academy, a special purpose school located within Spring Harbor Hospital in Westbrook

### **Mission**

The mission of Maine Mental Health Partners is to facilitate, promote, and maintain a high-quality, integrated system of mental health services in the MaineHealth region.

Maine Mental Health Partners is committed to being the network of choice for high-quality care, education, research, and careers by:

- Promoting individuals' successful functioning in the community (i.e., "recovery");
- Supporting access to safe, high-quality care delivered as close as possible to an individual's home and at the best possible cost;
- Designing, developing, and supporting a continuum of care that fulfills each region's mental health needs;
- Advocating locally, statewide, regionally, and nationally to enhance mental health for Maine people;
- Creating a model system of leadership, clinical excellence, innovation, and expertise.

### **Goals**

Maine Mental Health Partners is committed to improving the delivery of mental healthcare in Maine by:

- Filling in the gaps in the continuum of services to enhance access to appropriate levels of treatment
- Coordinating care and clinical approaches in a fragmented mental health system to help speed the recovery process for consumers
- Sharing administrative functions to reduce the cost of delivering care
- Responsibly using the limited state dollars devoted to mental health care
- Providing the right services at the right time at the right cost

### **III. Community Needs Assessment**

Maine Mental Health Partners' Board of Trustees is made up of a diverse set of community members. The Board requires a thorough Community Needs Assessment on behalf of the organization, and directs the organization to analyze and respond to the current needs assessment. Maine Mental Health Partners also participates in various initiatives and continuous research to keep those assessments up-to-date.

Some of these programs include:

- Clinical Strategic Planning
- Financial Strategic Planning
- Facility Planning
- Human Resources Planning
- Staff Development Planning

- Physician Recruitment Strategic Planning
- Emergency Preparedness Planning

Maine Mental Health Partners also recognizes and acts on many of the recommendations provided by external state groups and State health planning initiatives, such as: the Maine Department of Health and Human Services' *Healthy Maine 2010* and *Autism Spectrum Disorders Reports*; the *Maine State Health Plan*; the *Maine Center for Disease Control and Prevention Guidelines*; the United Way of Greater Portland's *Community Needs Assessment*; and the *Maine Kids Count Annual Report and Data Book*.

In March 2011, MaineHealth and its partners in the OneMaine Health Collaborative, Eastern Maine Health System and MaineGeneral Health, released the OneMaine Health Community Health Needs Assessment Report. The report is a comprehensive compilation and analysis containing primary and secondary health data sources, and contains a Health Status Profile for the state as a whole and for each of Maine's sixteen counties. The primary data source was a randomized telephone survey; the sampling methodology was designed to permit comparisons at the county level. Secondary data sources include numerous state and federal sources. This report provides baseline data on hundreds of health indicators that are relevant to hospitals and communities to inform planning and evaluation activities. Plans call for the Community Health Needs Assessment to be replicated every five years. MaineHealth will hold community forums in partnership with each member and affiliate hospital in order to increase understanding and use of the Community Health Needs Assessment and to inform identification and action on local, community-based health priorities.

#### **IV. Subsidized Maine Mental Health Partners' Community Programs and Other Support**

Maine Mental Health Partners and its member organizations engage in many community-building activities: support of community events that align with the organization's mission, depression screening clinics, targeted outreach to vulnerable populations, and educational seminars on mental health issues.

MMHP organizes employee participation in community fundraising activities and provides meeting space for area groups. MMHP employees also donate their time and expertise to numerous nonprofit boards and civic organizations that work to improve the quality of life in southern Maine.

<p><b>Maine Mental Health Partners – The following programs provided a total Net Community Benefits Investment of \$710.</b></p>
--

#### **Cash and In-kind Contributions**

- Maine Mental Health Partners supported the United Way of Greater Portland through the donation of staff time to coordinate an employee giving program. In 2011, the total value of this donated time was \$210.

- Financial contributions were made to nonprofit community organizations whose missions are compatible with that of Maine Mental Health Partners. Total contributions of \$500 were made in support of the following: Crisis & Counseling Center and NAMI Maine.

**Spring Harbor Hospital - The following programs provided a total Net Community Benefit Investment of \$206,700.**

**Health Professions Education**

- As a teaching hospital, Spring Harbor Hospital offers residency training and educational experiences for medical, nursing, social work, and other health professions students. Students from local nursing schools perform their clinical rotations in psychiatry at Spring Harbor Hospital. Social work, occupational therapy, and psychology interns also spend time at the hospital. Staffing costs associated with these training programs was \$101,200.

**Cash and In-kind Contributions**

- Spring Harbor Hospital supported the United Way through the donation of staff time to coordinate an employee giving program. In 2011, the total value of this donated time was \$5,700.
- Financial donations were made to nonprofit community organizations whose missions are compatible with that of Spring Harbor Hospital. Total contributions of \$1,100 were made in support of the following: Special Olympics Maine and Florence House.
- Interpreter services were provided for patients in the total amount of \$87,000.
- Taxi or bus vouchers were provided for patients in the total amount of \$11,700.

**Spring Harbor Community Services (Mid-Coast Mental Health Center) – The following programs provided a total Net Community Benefit Investment of \$6,555.**

**Community Health Improvement Services and Community Benefit Operations**

- Crisis Intervention Training was provided to local law enforcement. The value of this donated training was \$3,500.
- Staff led presentations on crisis intervention to these community organizations: Belfast Area High School, Camden Hills High School, University of Rockland and the Homeless Consortium. The value of this donated time was \$2,355.
- An informational exhibit was held at an annual Community Health Fair. The value of this donated time was \$700.

**Community Counseling Center – The following programs provided a total Net Community Benefit Investment of \$162,000.**

### **Community Health Improvement Services and Community Benefit Operations**

- Community Counseling Center provides Education for Living educational seminars to the community. The direct costs of this program are funded by United Way. Unfunded administrative support of this community health education totals \$2,845

### **Health Professions Education**

- Experiential learning was provided to ten student interns in 2011. The staffing costs associated with this training program were \$17,216.

### **Cash and In-kind Contributions**

- Support of the United Way of Greater Portland through the donation of staff time to coordinate an employee giving program. In 2011, the total value of this donated time was \$1,032.
- Support of the NAMI-Maine Walk with a donation of \$250 and participation by a team of employee volunteers.
- Interpreter services were provided for clients in the total amount of \$140,310.
- Taxi or bus vouchers were provided for clients in the total amount of \$347.

**Counseling Services, Inc. (CSI) – CSI joined MMHP during the fiscal year (March 2011) and the following programs provided a total Net Community Benefit Investment of \$160,000 over the seven months of membership.**

### **Community Health Improvement Services and Community Benefit Operations**

- Crisis Team provided workshops on suicide and cutting, assisted school systems in referral management, led trainings for law enforcement, assisted state police in outreach, participated on Juvenile Fire Setters Board and Assessment Team, and supported DHHS workshop by recruiting participants in area. The staffing costs of these services were \$3,823.

### **Health Professions Education**

- Three nurse practitioner interns, two medical students and 29 preceptor students were trained and supervised in the agency's Psychiatry and Outpatient Therapy programs. The staffing costs associated with this training and supervision were \$39,500.
- Social worker student interns were trained and supervised in the agency's adult ACT, Community Integration, Crisis Stabilization unit, Targeted Case Management, and Multi-Systemic Therapy programs. The staffing costs associated with this training and supervision were \$13,777.

### **Subsidized Health Services**

- Peer services were provided through two social clubs (Biddeford and Sanford) along with a Life Enrichment program that is available at all four clinical locations of the agency (Biddeford, Springvale, Kittery and Westbrook). The unfunded cost of these programs was \$55,000.

### **Cash and In-kind Contributions**

- Representative payee and wraparound services were provided to clients in the Adult ACT teams and all community support services, respectively. The staffing costs associated with this effort were \$39,500.
- Interpreter services were provided for clients in the total amount of \$3,200.
- Taxi vouchers were provided for clients and members of the social clubs in the total amount of \$5,200.

<b>MaineHealth</b>
--------------------

### **Support of MaineHealth Community Programs**

Maine Mental Health Partners is a wholly owned subsidiary of MaineHealth, an integrated healthcare network that serves Maine and Northern New England. In addition to the programs noted above, Maine Mental Health Partners provides its proportional share of support to the annual budgets of the programs below through both “member dues” and “fund balance transfers.” While all MaineHealth member organizations may not participate directly in the following initiatives, all provide some level of financial support to help sustain and grow these MaineHealth programs.

#### **Clinical Integration**

**AMI/PERFUSE Program** – The AMI/PERFUSE program helps caregivers provide the highest quality care and achieve the best possible outcomes for patients who experience an acute myocardial infarction – regardless of the patient’s point of entry into the MaineHealth system. A network of providers ensures that heart attack patients receive timely, evidence-based treatment.

**Asthma and Chronic Obstructive Pulmonary Disease** – AH! Asthma and COPD programs work to adopt quality measures that reflect evidence-based guidelines. The programs provide training and education about lung health treatment, medications and devices. The development of patient and provider education material is a key component of program efforts. Asthma educators throughout the system provide one on one support to patients and families.

**Diabetes** – The TARGET Diabetes Program helps improve care and outcomes for people with Type 1 and Type 2 diabetes and increases awareness of diabetes. The program encourages the adoption of quality measures that reflect evidence-based guidelines. Patient and provider education and training are key components of program efforts.

**Emergency Medicine** – The Emergency Medicine Program improves the quality of care received by patients in the emergency departments of MaineHealth member and affiliate hospitals. The program works to streamline processes and to effectively meet the acute medical needs of patients in the ED. Program staff provide training to emergency medical personnel and work with ambulance services to inform the care provided before patients arrive at the hospital.

**Heart Failure** – The Heart Failure Program improves health outcomes for patients with heart failure by promoting best practices in care at MaineHealth hospitals and across all care settings. The program supports a comprehensive, integrated approach for patients and their families as they move from one care environment to another.

**Hospital Medicine** - The Hospital Medicine Program builds relationships with hospitalists across the system and gathers monthly to share ideas, discuss challenges, and identify opportunities and solutions. Members collaborate on specific initiatives by gathering interdisciplinary groups.

**Infection Prevention** – The Infection Prevention Program works to reduce infection rates, improve outcomes for patients and decrease preventable hospitalizations across the MaineHealth system. The program aims to reduce hospital-acquired infections through improved hand hygiene compliance

**Mental Health Integration** – The Mental Health Integration Program works to improve patient care by bringing mental health clinicians into medical settings, and by improving the collaboration between medical and mental health providers. The goal of the program is to help people get effective and efficient care for mental and behavioral health problems.

**Oncology** - The Oncology Program promotes high quality oncologic care across the system, ensuring easy access and effective transitions among specialists and locations. The program provides screening and treatment guidelines to clinicians, provides patient education materials to patients, improves awareness of clinical trials, improves access to genetic services and improves the overall delivery of cancer care.

**Palliative Care** - The Palliative Care Program promotes palliative care across the system. The initiative includes clinician education about palliative care including identification of patients who may benefit from palliative care, provision of palliative services for complex medical conditions, addressing ethical issues and engaging patients in discussing goals of care. The program promotes the use of Physician Orders for Life Sustaining Treatment (POLST) within each MH institution as well as community based advance directive/care planning.

**Pharmacy and Therapeutics** - The Pharmacy and Therapeutics Program works to improve outcomes of patients in the MaineHealth system by reducing variations in care and promoting best practices. The program seeks to coordinate purchasing and performance initiatives in MaineHealth hospitals.

**Pre-Hospital Care/Emergency Medical Services** - The program works with hospital emergency medical service medical directors to support obligations in education, quality management and case follow-up. The program also works to standardize the quality improvement process of difficult calls and procedures and to provide educational opportunities and credits for emergency medical technicians to maintain licensure.

**Preventive Health** - The Preventive Health Program works to deliver consistent, high-quality, preventive healthcare across the MaineHealth region for adults and children by providing best-practice, evidence-based tools and support to primary care practice teams. The purpose is to provide a preventive health focus for patients and providers that helps to reduce the prevalence and severity of chronic disease.

**Stroke** - The goal of the Stroke Program is to improve care for stroke patients who arrive at MaineHealth member and affiliate hospitals within three hours of symptom onset. The program aims to standardize stroke care across the continuum of providers within the MaineHealth system by using evidence-based guidelines to improve outcomes for stroke patients.

**Surgical Quality Collaborative** – The goal of the MaineHealth Surgical Quality Collaborative is to create a collaborative encompassing surgical and quality staff from system hospitals to foster learning, measure improvement, and use empirical data to improve the quality, safety and value of surgical care.

**Telehealth** - The Telehealth Program works to improve the health status of our communities by integrating, advancing and optimizing the use of telehealth technologies. Current telehealth technologies include connections between hospitals, such as bringing specialists to rural areas, connecting providers to patients' homes and remote monitoring of patients in critical care units in most MaineHealth hospitals.

**Transitions of Care** - The Transitions of Care Program works to ensure that patients receive excellent care throughout the transition from hospital to home and to community-based providers. The program works to improve patient outcomes and reduce unnecessary readmissions by supporting best practices for provider follow-up visits, coordinating medications, patient and family education, and enhancing the communications critical for excellent care once the patient leaves the hospital.

### **Health Status Programs**

**Healthy Weight Initiative** – This initiative targets both children and adults in the community. The key parts of the initiative include clinical, community, and environmental/policy interventions. MaineHealth's financial support for this initiative recognizes the importance of preventing obesity as a major driver of health care costs, a major risk factor for chronic diseases, and a well-documented community epidemic.

**OneMaine Health Community Health Needs Assessment** – As described earlier in Section III of this report, MaineHealth was one of three health system partners involved in the conduct of a statewide Community Health Needs Assessment. All of the results and data involved in this analysis are publically available as a resource for any interested parties. MaineHealth was responsible for 42.5% of the total cost of this project.

**Child Health Program** - The Child Health program is focused on increasing rates of child immunizations within the MaineHealth system and statewide through clinical, community and policy interventions. The program's vision is to create an effective, outcomes-based strategy that engages health professionals and provider organizations, community partners, family members, and local and state government, resulting in Maine being ranked number one in New England for child immunizations by 2016. Amid evidence of increased vaccine refusal and delay in our communities, MaineHealth's financial support for this program underscores the importance of vaccinations as the most cost-effective health prevention activity for children.

### **Community Education Programs**

**MaineHealth Learning Resource Centers** – With four locations in Maine, the LRCs provide patients, health care providers, and community members with easy access to quality health information and a wealth of educational reference material. In addition, the LRCs offer the public over 100 unique classes taught by professionals (e.g. healthy cooking, yoga, chronic disease self-management, cancer prevention, and mental health awareness).

**Parkinson's Information and Referral Center** – The Center is a primary resource for people with Parkinson's disease, as well as their families and healthcare providers. Assistance includes "patron requests" for information, direct physician referrals, educational outreach to health care facilities, coordinating support groups, and specialized classes for newly-diagnosed individuals.

### **Access to Care Programs**

**CarePartners** – The program arranges the provision of donated healthcare services for low income uninsured Mainers in Cumberland, Kennebec, Lincoln, and Waldo Counties. CarePartners also provides administrative support to help serve the target population, including comprehensive eligibility assessment, care management, and access to low cost or free pharmaceuticals.

**MedAccess** – The program provided access to approximately \$5.3 million of free medications in FY11. CarePartners provides this community resource to uninsured and underinsured community members through the Patient Assistance Programs (PAPs). In addition to this service, MedAccess offers application assistance for other prescription access programs (Medicare Part D, etc), local low-cost generic programs, and other state and federal programs either in-person or through a toll-free number.

### **Partnership for Healthy Aging**

PHA leads the implementation of evidence-based prevention programs for older adults (Living Well, A Matter of Balance, EnhanceWellness, EnhanceFitness, Healthy IDEAS) throughout Maine. The efforts of Elder Care Services focus upon improving transitions, prevention, and quality across the care continuum. Initiatives include Care Transitions coaching, Community Links, and Falls Prevention Tools for providers and patients.

### **VitalNetwork**

The enhanced-ICU (E-ICU) initiative allows audio/video patient monitoring to coincide with real time display of information trend and condition changes. The system is staffed by expert ICU Physicians and Nurses in a central station, allowing enhanced remote monitoring of patients in multiple locations. Similar systems have been proven to reduce ICU mortality by 25%. MaineHealth was the first healthcare system in New England to implement the e-ICU program

## **V. Billing and Collection Practices**

Each member organization of Maine Mental Health Partners generally charges its respective patients the same price for the same services, regardless of payor source. Exceptions to this general rule involve those programs which are required to be billed to the State's Medicaid Program at established State rates. While individuals are asked to make co-payments or payments on outstanding balances at the time of visit, the provision of services are never made contingent on such payments. Public and private insurance is pursued fully for collection for every patient. In many cases the organization will offer assistance to patients in completing insurance enrollment applications.

Within 30 days of a patient receiving services or within 30 days of a bill becoming the responsibility of a patient, the initial billing statement will be mailed to the patient. Two

additional statements are sent if needed in 30 day increments following the first statement. If the account is still not resolved, patients will receive a final notice. Generally at the time of -- or soon after -- final notice is made, patient account representatives will attempt to contact the patient by telephone. If the attempt to contact the patient is unsuccessful and the account remains open, it will be referred to a Maine responsible and professional collection agency for further follow-up. Maine Mental Health Partners uses only responsible and professional collection agencies. Accounts are classified as "bad debt" at the time the referral to a collection agency is made or when knowledge exists that the referral to a collection agency will not be resolved. Organizations within Maine Mental Health Partners do not pursue patient collections through litigation.

## **VI. Charity Care Policies**

Each member organization of Maine Mental Health Partners offers financial assistance to patients who have no means to pay for their care by maintaining charity/indigent care programs. Two member organizations, Community Counseling Center and Counseling Services, Inc., limit the total amount of financial assistance offered to patients to those aggregate amounts received in gifts and grants earmarked for this purpose. The member policies offer charity care to patients who complete an application and who can offer evidence that they meet the eligibility requirements. These policies set minimum eligibility levels between 100% and 175% of the federal poverty guidelines, adjusted for the size of the household. Those patients who refuse application or who fail to meet the requirements for uncompensated care are pursued for collection. Unsuccessful attempts at collection may result in the account being written off as bad debt. Through this treatment, bad debts are not considered charity care. The uncompensated care policies of Maine Mental Health Partner member agencies are easily understood and publically available. Processes exist for offering charity care to patients who are unable to pay after they have already been billed. The member organizations of Maine Mental Health Partners use simple application procedures that do not intimidate or confuse applicants and staff are educated about the uncompensated care policies. Within each member organization, staff members are also available to assist in the completion of applications.

## **VII. Good Governance and Executive Compensation Policies**

### **Good Governance**

Maine Mental Health Partners has a Board consisting of 10 community representatives, while the Boards of each member organization consist of anywhere from 4 to 18 community representatives. The majority of Board membership is not practicing physicians, officers, department heads, or other employees with a financial connection or otherwise affiliated with the organization itself. All Boards generally meet 11 times a year and all have a written "conflict of interest" policy in place. The Boards understand the specific mission of each organization and approve strategic planning initiatives aimed at carrying out these missions. Trustees understand their fiscal and other specific responsibilities while serving on the Boards. Education is provided to Board members both upon request and through formalized educational sessions on pertinent governance

and operational topics. Trustees and Executive Officers do not receive loans on behalf of member organizations. All Maine Mental Health Partner member organizations ensure that a substantial part of their activity does not involve attempts to influence legislation, and that it will not take an official position or provide direct support for or against a political candidate. In addition to the CEO or CFO officially “signing off” on annual IRS Forms 990 and audited financial statements, the Boards of Trustees also have final approval of both documents. The Boards have additionally adopted and the organizations maintain corporate compliance programs that include Codes of Conduct for all staff. All staff receives education on these programs which are monitored for compliance. A helpline is also available for staff to call with compliance concerns. All of these activities are intended to ensure continual compliance with organizational policies and applicable laws.

### **Executive Compensation**

Maine Mental Health Partners has a formal written compensation policy in place. With the help of national compensation consultants, the MaineHealth Board Compensation Committee establishes appropriate compensation parameters for each member organization’s CEO and certain members of their Senior Management team. Working within those parameters, Maine Mental Health Partners Board determines the level of compensation for its CEO, certain members of the executive team, as well as the CEO’s of each of its own member organizations. The findings of the Compensation Committee are made transparent to, and voted on by, the full Governing Board. This “total executive compensation” is filed publicly by the organization, and includes “total cash compensation” and “total value of all benefits and perquisites associated with position (such as housing allowances, social club memberships, signing bonuses, etc.)”. The Board takes necessary action to prevent the CEO from voting or directly participating in the final Committee determination of (his/her) own compensation. The organization’s executive compensation procedure relies upon appropriate data for comparability (e.g. compensation levels paid by both taxable and tax-exempt similarly situated organizations and independent compensation surveys by nationally recognized independent firms). Finally, the organization refrains from allowing executive compensation to ever be based solely on Maine Mental Health Partners or any of its member organization’s revenues or other similar profit-sharing strategies.

**VIII. Aggregate Financial Data – Maine Mental HealthPartners Consolidated  
Community Benefits Summary\***

	<u>Totals</u>
Charity Care **	\$3,778,000
Bad Debt **	790,600
Government-sponsored Health Care ***	920,000
Net Community Benefit Investment Programs ****	<u>535,965</u>
Total Value of Quantifiable Community Benefits	<u>\$6,024,565</u>

\* Form created based on AHA guidelines

\*\* Certain MMJIP member organizations are partially reimbursed for services provided to patients with public health insurance based on a cost reimbursement methodology. As such, Maine Mental Health Partners entities are partially reimbursed for costs associated with their community programs to the extent that such costs are allowable for reimbursement under established cost principles. In addition, Community Counseling Center is the recipient of United Way funding which in part helps offset unreimbursed costs associated with its charity care program

\*\*\*\* Figures transferred from section IV