



2009 Income Tax Returns

RUMFORD HOSPITAL

Return of Organization Exempt From Income Tax

2009

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

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2009 calendar year, or tax year beginning 07/01, 2009, and ending 06/30, 2010

| | | |
|--|--|--|
| B Check if applicable: <input checked="" 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 | C Name of organization RUMFORD HOSPITAL Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 420 FRANKLIN STREET City or town, state or country, and ZIP + 4 RUMFORD, ME 04276 | D Employer identification number 01-0215227 |
| | F Name and address of principal officer: JOHN WELSH 420 FRANKLIN STREET RUMFORD, ME 04276 | E Telephone number (207) 795-2972 |
| | I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (3) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 | G Gross receipts \$ 34,193,430. |
| | J Website: WWW.RUMFORDHOSPITAL.ORG | H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶ |
| K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ | L Year of formation: 1974 | M State of legal domicile: ME |

Part I Summary

| | | | |
|---|--|--|--------------|
| Activities & Governance | 1 Briefly describe the organization's mission or most significant activities: <u>TO PROVIDE EXCEPTIONAL HEALTHCARE SERVICES IN A SAFE AND TRUSTFUL ENVIRONMENT THROUGH THE EXPERTISE, COMMITMENT AND COMPASSION OF OUR FAMILY OF CAREGIVERS.</u> | | |
| | 2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | | |
| | 3 Number of voting members of the governing body (Part VI, line 1a) | 3 | 10 |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 8 |
| | 5 Total number of employees (Part V, line 2a) | 5 | 363 |
| | 6 Total number of volunteers (estimate if necessary) | 6 | 76 |
| | 7a Total gross unrelated business revenue from Part VIII, column (C), line 12 | 7a | 0. |
| b Net unrelated business taxable income from Form 990-T, line 34 | 7b | | |
| Revenue | 8 Contributions and grants (Part VIII, line 1h) | Prior Year | Current Year |
| | 9 Program service revenue (Part VIII, line 2g) | 291,462. | 166,668. |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 34,011,432. | 33,943,559. |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | -121,080. | 83,203. |
| | 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 34,181,814. | 34,193,430. |
| | Expenses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 0. |
| 14 Benefits paid to or for members (Part IX, column (A), line 4) | | 0. | 0. |
| 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | | 19,896,021. | 22,464,956. |
| 16 a Professional fundraising fees (Part IX, column (A), line 11e) | | 0. | 0. |
| b Total fundraising expenses, Part IX, column (D), line 25 ▶ | | 0. | |
| 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) | | 12,769,759. | 12,791,549. |
| 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 32,665,780. | 35,271,505. | |
| 19 Revenue less expenses. Subtract line 18 from line 12 | 1,516,034. | -1,078,075. | |
| Net Assets or Fund Balances | 20 Total assets (Part X, line 16) | Beginning of Year | End of Year |
| | 21 Total liabilities (Part X, line 26) | 24,957,661. | 23,061,721. |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 | 9,944,362. | 8,919,210. |
| | | 15,013,299. | 14,142,511. |

Part II Signature Block

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

Sign Here

Signature of officer _____ Date _____

Type or print name and title _____

Paid Preparer's Use Only

Preparer's signature **▶** _____ Date _____ Check if self-employed Preparer's identifying number (see instructions) **P00037953**

Firm's name (or yours if self-employed) address, and ZIP + 4 **▶ KPMG LLP 60 SOUTH STREET BOSTON, MA 02111** EIN **▶ 13-5565207** Phone no. **▶ 617-988-1000**

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

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. *

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:
TO PROVIDE EXCEPTIONAL HEALTHCARE SERVICES IN A SAFE AND TRUSTFUL ENVIRONMENT THROUGH THE EXPERTISE, COMMITMENT AND COMPASSION OF OUR FAMILY OF CAREGIVERS.

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 \$ 27,931,134. including grants of \$ 0.) (Revenue \$ 33,943,559.)
RUMFORD HOSPITAL IS A CRITICAL ACCESS HOSPITAL, PROVIDING COMPREHENSIVE PRIMARY CARE & SOPHISTICATED DIAGNOSTIC SERVICES, INCLUDING CT SCANNING, ULTRASOUND AND NUCLEAR MEDICINE. THE HOSPITAL OFFERS MEDICAL SURGICAL NURSING SERVICES, A BIRTHING CENTER, WOMEN'S HEALTH SERVICES & AMBULATORY SURGERY. THE SWING BED PROGRAM PROVIDES CARE FOR PATIENTS WHO NEED SKILLED NURSING SERVICES. RUMFORD HOSPITAL ALSO MAINTAINS A 24 HOUR EMERGENCY DEPARTMENT AND STAFFS AN INTENSIVE CARE UNIT.

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

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

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

4e Total program service expenses ▶ 27,931,134.

Part IV Checklist of Required Schedules

Table with 3 main columns: Question, Yes, No. Rows 1-20 contain various organizational requirements and their status (Yes/No/X).

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question number, description, and Yes/No columns. Includes rows for 1a, 1b, 1c, 2a, 2b, 3a, 3b, 4a, 4b, 5a, 5b, 5c, 6a, 6b, 7a-7h, 8, 9a, 9b, 10a, 10b, 11a, 11b, 12a, 12b.

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

Section A. Governing Body and Management

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

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates? (X), 10b 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?, 11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? (X), 11A Describe in Schedule O the process, if any, used by the organization to review this Form 990., 12a Does the organization have a written conflict of interest policy? If "No," go to line 13 (X), 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (X), 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done (X), 13 Does the organization have a written whistleblower policy? (X), 14 Does the organization have a written document retention and destruction policy? (X), 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? 15a The organization's CEO, Executive Director, or top management official (X), 15b Other officers or key employees of the organization (X), 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? (X), 16b 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 Forms 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 [X] 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.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: PHIL MORISSETTE 29 LOWELL STREET LEWISTON, ME 04240 207-795-2972

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

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. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees. 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 the organization did not compensate any current officer, director, or trustee.

| (A) Name and Title | (B) Average hours per week | (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 | | | |
| PETER E CHALKE PRESIDENT OF CMHC | 1.00 | X | | | | | 0. | 664,594. | 15,328. | |
| STUART R COOPER TRUSTEE | 1.00 | X | | | | | 0. | 0. | 0. | |
| JOLAN IPPOLITO CHAIRMAN | 1.00 | X | | | | | 0. | 0. | 0. | |
| ROGER ARSENAULT TRUSTEE | 1.00 | X | | | | | 0. | 0. | 0. | |
| RICHARD LOVEJOY SECRETARY/TREASURER | 1.00 | X | | X | | | 0. | 0. | 0. | |
| JOSEPH A POIRIER TRUSTEE | 1.00 | X | | | | | 0. | 0. | 0. | |
| LINDA CAMERON OD TRUSTEE | 1.00 | X | | | | | 0. | 0. | 0. | |
| DAVID DUGUAY TRUSTEE | 1.00 | X | | | | | 0. | 0. | 0. | |
| G SEAN CALLENDER, MD TRUSTEE/PHYSICIAN | 55.00 | X | | | | | 181,720. | 0. | 11,834. | |
| ROBERT STICKNEY TRUSTEE | 1.00 | X | | | | | 0. | 0. | 0. | |
| JOHN WELSH PRESIDENT OF RUMFORD HOSPITAL | 55.00 | | | X | | | 0. | 255,637. | 71,601. | |
| THOMAS DELUCA, MD PHYSICIAN | 55.00 | | | | | X | 340,152. | 0. | 15,467. | |
| CAROLYN GARCIA, MD PHYSICIAN | 55.00 | | | | | X | 281,378. | 0. | 6,298. | |
| JACOB LEDESMA, MD PHYSICIAN | 55.00 | | | | | X | 428,011. | 0. | 11,688. | |
| RICK MARDEN, MD PHYSICIAN | 55.00 | | | | | X | 295,534. | 0. | 11,041. | |
| DIETER KRECKEL, MD PHYSICIAN | 55.00 | | | | | X | 267,092. | 0. | 17,967. | |

Part VIII Statement of Revenue

01-0215227

| | | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 | |
|---|---|--|----------------------|----------------------|--|---|---|--|
| Contributions, gifts, grants and other similar amounts | 1a Federated campaigns | 1a | | | | | | |
| | b Membership dues | 1b | | | | | | |
| | c Fundraising events | 1c | | | | | | |
| | d Related organizations | 1d | | | | | | |
| | e Government grants (contributions) . . | 1e | | | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above . | 1f | 166,668. | | | | | |
| | g Noncash contributions included in lines 1a-1f: \$ | | | | | | | |
| | h Total. Add lines 1a-1f | | | 166,668. | | | | |
| Program Service Revenue | Business Code | | | | | | | |
| | 2a PATIENT SERVICE | | | 33,736,379. | 33,736,379. | | | |
| | b OTHER OPERATING REVENUE | | | 207,180. | 207,180. | | | |
| | c _____ | | | | | | | |
| | d _____ | | | | | | | |
| | e _____ | | | | | | | |
| | f All other program service revenue | | | | | | | |
| | g Total. Add lines 2a-2f | | | 33,943,559. | | | | |
| Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) | | | 0. | | 0. | 0. | |
| | 4 Income from investment of tax-exempt bond proceeds . . . | | | 0. | | | | |
| | 5 Royalties | | | 0. | | | | |
| | 6a Gross Rents | (i) Real | (ii) Personal | | | | | |
| | | | | 0. | 0. | | | |
| | | b Less: rental expenses | | | | | | |
| | | c Rental income or (loss) | | 0. | 0. | | | |
| | d Net rental income or (loss) | | | | 0. | | | |
| | 7a Gross amount from sales of assets other than inventory | (i) Securities | (ii) Other | | | | | |
| | | | | 0. | 0. | | | |
| | | b Less: cost or other basis and sales expenses | | | | | | |
| | | c Gain or (loss) | | 0. | 0. | | | |
| | d Net gain or (loss) | | | | 83,203. | | 83,203. | |
| | 8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | a | | | 0. | | | |
| | | b Less: direct expenses | b | | | | | |
| | | c Net income or (loss) from fundraising events | | | | 0. | | |
| | 9a Gross income from gaming activities. See Part IV, line 19 | a | | | 0. | | | |
| | | b Less: direct expenses | b | | | | | |
| c Net income or (loss) from gaming activities | | | | | 0. | | | |
| 10a Gross sales of inventory, less returns and allowances | a | | | | | | | |
| | b Less: cost of goods sold | b | | | | | | |
| | c Net income or (loss) from sales of inventory | | | | 0. | | | |
| Miscellaneous Revenue | | | Business Code | | | | | |
| 11a _____ | | | | | | | | |
| b _____ | | | | | | | | |
| c _____ | | | | | | | | |
| d All other revenue | | | | | | | | |
| e Total. Add lines 11a-11d | | | | 0. | | | | |
| 12 Total Revenue. See instructions | | | | 34,193,430. | 33,943,559. | 0. | 83,203. | |

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).

| <i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i> | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|--|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . . | 15,000. | 15,000. | | |
| 2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 | 0. | | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 | 0. | | | |
| 4 Benefits paid to or for members | 0. | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 193,554. | 153,411. | 40,143. | 0. |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . | 0. | | | |
| 7 Other salaries and wages | 18,809,515. | 14,908,422. | 3,901,093. | |
| 8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . | 885,972. | 702,221. | 183,751. | |
| 9 Other employee benefits | 1,672,242. | 1,325,419. | 346,823. | |
| 10 Payroll taxes | 903,673. | 716,251. | 187,422. | |
| 11 Fees for services (non-employees): | | | | |
| a Management | 0. | | | |
| b Legal | 9,733. | | 9,733. | |
| c Accounting | 25,808. | | 25,808. | |
| d Lobbying | 0. | | | |
| e Professional fundraising services. See Part IV, line 17 | 0. | | | |
| f Investment management fees | 0. | | | |
| g Other | 1,398,183. | 1,108,200. | 289,983. | |
| 12 Advertising and promotion | 141,319. | 112,009. | 29,310. | |
| 13 Office expenses | 3,650,897. | 2,893,701. | 757,196. | |
| 14 Information technology | 0. | | | |
| 15 Royalties | 0. | | | |
| 16 Occupancy | 966,646. | 766,164. | 200,482. | |
| 17 Travel | 146,690. | 116,266. | 30,424. | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | 0. | | | |
| 19 Conferences, conventions, and meetings | 0. | | | |
| 20 Interest | 46,907. | 37,178. | 9,729. | |
| 21 Payments to affiliates | 0. | | | |
| 22 Depreciation, depletion, and amortization . . . | 1,248,659. | 989,687. | 258,972. | |
| 23 Insurance | 747,421. | 592,406. | 155,015. | |
| 24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.) | | | | |
| a <u>BAD DEBT EXPENSES</u> | 2,027,494. | 1,606,992. | 420,502. | |
| b <u>ALL OTHER EXPENSES</u> | 1,325,591. | 1,050,663. | 274,928. | |
| c <u>EQUIPMENT RENTAL/MAINTENANCE</u> | 993,189. | 787,202. | 205,987. | |
| d <u>ASSOCIATION DUES</u> | 60,413. | 47,883. | 12,530. | |
| e <u>CONSULTING SERVICES</u> | 2,599. | 2,059. | 540. | |
| f All other expenses | | | | |
| 25 Total functional expenses. Add lines 1 through 24f | 35,271,505. | 27,931,134. | 7,340,371. | 0. |
| 26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2. 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) Beginning of year | | (B) End of year |
|---|--|--------------------------|-------------|------------------------|
| Assets | 1 Cash - non-interest-bearing | 845. | 1 | 845. |
| | 2 Savings and temporary cash investments | 173,285. | 2 | 138,341. |
| | 3 Pledges and grants receivable, net | | 3 | |
| | 4 Accounts receivable, net | 7,809,059. | 4 | 6,151,457. |
| | 5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | |
| | 6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L | | 6 | |
| | 7 Notes and loans receivable, net | | 7 | |
| | 8 Inventories for sale or use | 210,120. | 8 | 206,143. |
| | 9 Prepaid expenses and deferred charges | 88,364. | 9 | 107,780. |
| | 10 a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 28,933,823. | | |
| | b Less: accumulated depreciation | 10b 15,331,282. | 13,857,808. | 10c 13,602,541. |
| | 11 Investments - publicly traded securities | 2,342,710. | 11 | 2,642,382. |
| | 12 Investments - other securities. See Part IV, line 11 | | 12 | |
| | 13 Investments - program-related. See Part IV, line 11 | | 13 | |
| | 14 Intangible assets | | 14 | |
| | 15 Other assets. See Part IV, line 11 | 475,470. | 15 | 212,232. |
| 16 Total assets. Add lines 1 through 15 (must equal line 34) | 24,957,661. | 16 | 23,061,721. | |
| Liabilities | 17 Accounts payable and accrued expenses | 4,061,652. | 17 | 2,086,490. |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | | 19 | |
| | 20 Tax-exempt bond liabilities | | 20 | |
| | 21 Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 22 | |
| | 23 Secured mortgages and notes payable to unrelated third parties | 733,524. | 23 | 718,112. |
| | 24 Unsecured notes and loans payable to unrelated third parties | | 24 | |
| | 25 Other liabilities. Complete Part X of Schedule D | 5,149,186. | 25 | 6,114,608. |
| | 26 Total liabilities. Add lines 17 through 25 | 9,944,362. | 26 | 8,919,210. |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | |
| | 27 Unrestricted net assets | 14,549,407. | 27 | 13,643,191. |
| | 28 Temporarily restricted net assets | 213,781. | 28 | 246,195. |
| | 29 Permanently restricted net assets | 250,111. | 29 | 253,125. |
| | Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34. | | | |
| | 30 Capital stock or trust principal, or current funds | | 30 | |
| | 31 Paid-in or capital surplus, or land, building, or equipment fund | | 31 | |
| | 32 Retained earnings, endowment, accumulated income, or other funds | | 32 | |
| 33 Total net assets or fund balances | 15,013,299. | 33 | 14,142,511. | |
| 34 Total liabilities and net assets/fund balances | 24,957,661. | 34 | 23,061,721. | |

Part XI Financial Statements and Reporting

| | Yes | No |
|--|-----|----|
| 1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O. | | |
| 2a Were the organization's financial statements compiled or reviewed by an independent accountant? | | X |
| b Were the organization's financial statements audited by an independent accountant? | X | |
| c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O. | X | |
| d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | |
| 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? | | X |
| 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. | | |

Form **990** (2009)

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.)

Section A. Public Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 13 First five years. 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 stop here.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2009; 15 Public support percentage from 2008 Schedule A, Part II, line 14; 16a 33 1/3 % support test - 2009; b 33 1/3 % support test - 2008; 17a 10%-facts-and-circumstances test - 2009; b 10%-facts-and-circumstances test - 2008; 18 Private foundation.

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.)

Section A. Public Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support.

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income; 13 Total support; 14 First five years.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, 2009, 2008. Row 15: Public support percentage for 2009; Row 16: Public support percentage from 2008 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, 2009, 2008. Row 17: Investment income percentage for 2009; Row 18: Investment income percentage from 2008 Schedule A, Part III, line 17.

19 a 33 1/3 % support tests - 2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3 % support tests - 2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities
For Organizations Exempt From Income Tax Under section 501(c) and section 527

OMB No. 1545-0047

2009

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 VI, 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), then

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

| | |
|--|--|
| Name of organization RUMFORD HOSPITAL | Employer identification number 01-0215227 |
|--|--|

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 payments were made. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

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

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.

| Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.) | | (a) Filing organization's totals | (b) Affiliated group totals | | | | | | | | | | | | |
|--|---|--|--|--------------------|-------------------------------|---|--|---|--|--|---|-------------------|--------------|--|--|
| 1 a | Total lobbying expenditures to influence public opinion (grass roots lobbying) | | | | | | | | | | | | | | |
| b | Total lobbying expenditures to influence a legislative body (direct lobbying) | | | | | | | | | | | | | | |
| c | Total lobbying expenditures (add lines 1a and 1b) | | | | | | | | | | | | | | |
| d | Other exempt purpose expenditures | | | | | | | | | | | | | | |
| e | Total exempt purpose expenditures (add lines 1c and 1d) | | | | | | | | | | | | | | |
| f | Lobbying nontaxable amount. Enter the amount from the following table in both columns. | | | | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 35%; border: 1px solid black;">If the amount on line 1e, column (a) or (b) is:</td> <td style="border: 1px solid black;">The lobbying nontaxable amount is:</td> </tr> <tr> <td style="border: 1px solid black;">Not over \$500,000</td> <td style="border: 1px solid black;">20% of the amount on line 1e.</td> </tr> <tr> <td style="border: 1px solid black;">Over \$500,000 but not over \$1,000,000</td> <td style="border: 1px solid black;">\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td style="border: 1px solid black;">Over \$1,000,000 but not over \$1,500,000</td> <td style="border: 1px solid black;">\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td style="border: 1px solid black;">Over \$1,500,000 but not over \$17,000,000</td> <td style="border: 1px solid black;">\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td style="border: 1px solid black;">Over \$17,000,000</td> <td style="border: 1px solid black;">\$1,000,000.</td> </tr> </table> | | If the amount on line 1e, column (a) or (b) is: | The lobbying nontaxable amount is: | Not over \$500,000 | 20% of the amount on line 1e. | Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000. | Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000. | Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000. | Over \$17,000,000 | \$1,000,000. | | |
| If the amount on line 1e, column (a) or (b) is: | The lobbying nontaxable amount is: | | | | | | | | | | | | | | |
| Not over \$500,000 | 20% of the amount on line 1e. | | | | | | | | | | | | | | |
| Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000. | | | | | | | | | | | | | | |
| Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000. | | | | | | | | | | | | | | |
| Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000. | | | | | | | | | | | | | | |
| Over \$17,000,000 | \$1,000,000. | | | | | | | | | | | | | | |
| g | Grassroots nontaxable amount (enter 25% of line 1f) | | | | | | | | | | | | | | |
| h | Subtract line 1g from line 1a. If zero or less, enter -0- | | | | | | | | | | | | | | |
| i | Subtract line 1f from line 1c. If zero or less, enter -0- | | | | | | | | | | | | | | |
| j | If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? | | <input type="checkbox"/> Yes <input type="checkbox"/> No | | | | | | | | | | | | |

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

| Lobbying Expenditures During 4-Year Averaging Period | | | | | |
|--|----------|----------|----------|----------|-----------|
| Calendar year (or fiscal year beginning in) | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) Total |
| 2 a Lobbying non-taxable amount | | | | | |
| b Lobbying ceiling amount (150% of line 2a, column (e)) | | | | | |
| c Total lobbying expenditures | | | | | |
| d Grassroots nontaxable amount | | | | | |
| e Grassroots ceiling amount (150% of line 2d, column (e)) | | | | | |
| f Grassroots lobbying expenditures | | | | | |

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

Table with 3 main columns: (a) Yes/No, (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation...; a Volunteers?; b Paid staff or management...; c Media advertisements?; d Mailings to members...; e Publications...; f Grants to other organizations...; g Direct contact with legislators...; h Rallies, demonstrations...; i Other activities?; j Total...; 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?; b If "Yes," enter the amount of any tax incurred under section 4912; c If "Yes," enter the amount of any tax incurred by organization managers under section 4912; d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?.

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

Table with 3 columns: Question, Yes, No. Rows include: 1 Were substantially all (90% or more) dues received nondeductible by members?; 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?; 3 Did the organization agree to carryover lobbying and political expenditures from the prior year?.

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."

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

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 1i. Also, complete this part for any additional information.

LOBBYING EXPENSES

SCHEDULE C, PART II-B

PORTION OF DUES FOR PROFESSIONAL ASSOCIATIONS ATTRIBUTED TO LOBBYING

EXPENSES - \$6,825.

**SCHEDULE D
(Form 990)**

Supplemental Financial Statements

OMB No. 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

▶ **Attach to Form 990. ▶ See separate instructions.**

Name of the organization

RUMFORD HOSPITAL

Employer identification number

01-0215227

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

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

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

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

| | |
|---|--|
| <input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure) | <input type="checkbox"/> Preservation of an historically important land area |
| <input type="checkbox"/> Protection of natural habitat | <input type="checkbox"/> Preservation of a certified historic structure |
| <input type="checkbox"/> Preservation of open space | |

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

| | Held at the End of the Year |
|--|-----------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after 8/17/06 | 2d |

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

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

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

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 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 acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

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

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part 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 XI V and complete the following table:

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

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

b If "Yes," explain the arrangement in Part XI V.

Part V Endowment Funds. Complete if 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 |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | 463,891. | 536,730. | | | |
| b Contributions | 13,532. | 11,068. | | | |
| c Net investment earnings, gains, and losses | 23,747. | -79,304. | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | 1,850. | 4,603. | | | |
| f Administrative expenses | | | | | |
| g End of year balance | 499,320. | 463,891. | | | |

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

- a Board designated or quasi-endowment 0.0000 %
- b Permanent endowment 50.6900 %
- c Term endowment 49.3100 %

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

- (i) unrelated organizations
- (ii) related organizations

| | Yes | No |
|--------|-----|----|
| 3a(i) | | X |
| 3a(ii) | X | |
| 3b | X | |

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

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 |
|--|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | 89,148. | | 89,148. |
| b Buildings | | 16,483,188. | 5,573,844. | 10,909,344. |
| c Leasehold improvements | | | | |
| d Equipment | | 12,289,596. | 9,757,439. | 2,532,157. |
| e Other | | 71,892. | | 71,892. |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) | | | | 13,602,541. |

| Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements | | |
|---|--|----|
| 1 | Total revenue (Form 990, Part VIII, column (A), line 12) | 1 |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | 2 |
| 3 | Excess or (deficit) for the year. Subtract line 2 from line 1 | 3 |
| 4 | Net unrealized gains (losses) on investments | 4 |
| 5 | Donated services and use of facilities | 5 |
| 6 | Investment expenses | 6 |
| 7 | Prior period adjustments | 7 |
| 8 | Other (Describe in Part XIV.) | 8 |
| 9 | Total adjustments (net). Add lines 4 through 8 | 9 |
| 10 | Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9 | 10 |

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

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

Part 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, line 2; 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.

SEE PAGE 5

Part XIV Supplemental Information (continued)

ENDOWMENT FUNDS

PART V, LINE 4

ENDOWMENT FUNDS ARE USED TO SUPPORT THE ORGANIZATION IN A VARIETY OF WAYS, DEPENDING UPON THE STATED PURPOSE OF EACH FUND. MANY OF THESE FUNDS HELP TO COVER COSTS OF CAPITAL EQUIPMENT PURCHASES, CONTINUING MEDICAL EDUCATION, OR FREE CARE. OTHERS ARE DESIGNATED TO SUPPORT SPECIFIC DEPARTMENTS OF THE HOSPITAL.

OTHER LIABILITIES, FIN48 FOOTNOTE

SCHEDULE D, PART X

RUMFORD HOSPITAL IS CLASSIFIED AS A TAX EXEMPT ORGANIZATION AS DESCRIBED IN SECTION 501 OF THE INTERNAL REVENUE CODE AND A SIMILAR PROVISION OF STATE LAW. HOWEVER THESE ENTITIES ARE SUBJECT TO FEDERAL INCOME TAX ON ANY UNRELATED BUSINESS TAXABLE INCOME.

CMHC AND ITS CONSOLIDATED ENTITIES FILE TAX RETURNS IN THE U.S. FEDERAL JURISDICTION. WITH FEW EXCEPTIONS, THESE ENTITIES ARE NO LONGER SUBJECT TO U.S. FEDERAL EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE 2004.

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2009

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

RUMFORD HOSPITAL

Employer identification number

01-0215227

Part I Charity Care and Certain Other Community Benefits at Cost

| | Yes | No |
|---|-----|----|
| 1a Does the organization have a charity care policy? If "No," skip to question 6a | X | |
| b If "Yes," is it a written policy? | X | |
| 2 If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals. <input checked="" type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Generally tailored to individual hospitals <input type="checkbox"/> Applied uniformly to most hospitals | | |
| 3 Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients. | | |
| a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other 300.0000 % | X | |
| b Does the organization use FPG to determine eligibility for providing discounted care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____% | | X |
| c If 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. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care. | | |
| 4 Does the organization's policy provide free or discounted care to the "medically indigent"? | X | |
| 5a Does the organization budget amounts for free or discounted care provided under its charity care policy? | X | |
| b If "Yes," did the organization's charity care expenses exceed the budgeted amount? | X | |
| c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? | | X |
| 6a Does the organization prepare an annual community benefit report? | | X |
| b If "Yes," does 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 Charity Care and Certain Other Community Benefits at Cost

| | (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 |
|--|---|-------------------------------|-------------------------------------|-------------------------------|-----------------------------------|------------------------------|
| Charity Care and Means-Tested Government Programs | | | | | | |
| a Charity care at cost (from Worksheets 1 and 2) | | | 456,309. | 0. | 456,309. | 1.37 |
| b Unreimbursed Medicaid (from Worksheet 3, column a) | | | 5,713,028. | 4,272,747. | 1,440,281. | 4.33 |
| c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b) | | | 0. | 0. | 0. | 0.00 |
| d Total Charity Care and Means-Tested Government Programs | | | 6,169,337. | 4,272,747. | 1,896,590. | 5.70 |
| Other Benefits | | | | | | |
| e Community health improvement services and community benefit operations (from Worksheet 4) | | | 0. | 0. | 0. | 0.00 |
| f Health professions education (from Worksheet 5) | | | 0. | 0. | 0. | 0.00 |
| g Subsidized health services (from Worksheet 6) | | | 0. | 0. | 0. | 0.00 |
| h Research (from Worksheet 7) | | | 0. | 0. | 0. | 0.00 |
| i Cash and in-kind contributions to community groups (from Worksheet 8) | | | 15,250. | 0. | 15,250. | .05 |
| j Total. Other Benefits | | | 15,250. | 0. | 15,250. | .05 |
| k Total. Add lines 7d and 7j | | | 6,184,587. | 4,272,747. | 1,911,840. | 5.75 |

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

Schedule H (Form 990) 2009

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

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

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

- 1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? **1**
- 2 Enter the amount of the organization's bad debt expense (at cost) **2** 1,248,484.
- 3 Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy **3** 283,827.
- 4 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 other bad debt amounts in community benefit.

| | Yes | No |
|-----------|-----|----|
| 1 | | X |
| 2 | | |
| 3 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 9a | X | |
| 9b | X | |

Section B. Medicare

- 5 Enter total revenue received from Medicare (including DSH and IME) **5** 12,804,557.
- 6 Enter Medicare allowable costs of care relating to payments on line 5 **6** 12,682,193.
- 7 Subtract line 6 from line 5. This is the surplus or (shortfall) **7** 122,364.
- 8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used:
 Cost accounting system Cost to charge ratio Other

Section C. Collection Practices

- 9a Does the organization have a written debt collection policy? **9a** X
- 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. **9b** X

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 % |
|--------------------|---|--|---|---|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |

Part V Facility Information

| Name and address | Licensed hospital | General medical & surgical | Children's hospital | Teaching hospital | Critical access hospital | Research facility | ER-24 hours | ER-other | Other (Describe) |
|---|-------------------|----------------------------|---------------------|-------------------|--------------------------|-------------------|-------------|----------|-----------------------------|
| RUMFORD HOSPITAL 420 FRANKLIN STREET RUMFORD ME 04276 | X | X | | | X | | X | | |
| DIXFIELD CLINIC 146 WELD STREET DIXFIELD ME 04224 | | | | | | | | | OUTPATIENT PHYSICIAN CLINIC |
| SWIFT RIVER CLINIC 430 FRANKLIN STREET RUMFORD ME 04276 | | | | | | | | | OUTPATIENT PHYSICIAN CLINIC |
| RIVER VALLEY INTERNAL MEDICINE 431 FRANKLIN STREET RUMFORD ME 04276 | | | | | | | | | OUTPATIENT PHYSICIAN CLINIC |
| RUMFORD SPECIALTY SUITES 431 FRANKLIN STREET RUMFORD ME 04276 | | | | | | | | | OUTPATIENT PHYSICIAN CLINIC |
| RUMFORD SURGICAL SPECIALISTS 431 FRANKLIN STREET RUMFORD ME 04276 | | | | | | | | | OUTPATIENT PHYSICIAN CLINIC |
| ----- | | | | | | | | | |
| ----- | | | | | | | | | |
| ----- | | | | | | | | | |
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| ----- | | | | | | | | | |

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
- 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 charity care policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals 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.).
- 7 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.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 3C:

MANY ORGANIZATIONS USE A 100% TO 200% FEDERAL POVERTY GUIDELINES (FPG) LEVEL TO DETERMINE FREE CARE, WITH A HIGHER PERCENTAGE TIER FOR DISCOUNTED CARE. RUMFORD HOSPITAL USES A 300% FPG LEVEL TO DETERMINE FREE CARE, EFFECTIVELY PROVIDING A 100% DISCOUNT FOR THOSE PATIENTS WHO NORMALLY WOULD FALL INTO A DISCOUNTED CARE TIER.

PART I, LINE 7, COLUMN F:

BAD DEBT EXPENSE OF \$2,027,494 WAS DEDUCTED FROM THE AMOUNT ON FORM 990, PART IX, LINE 25, COLUMN (A) IN THE CALCULATION OF THE PERCENTAGE OF TOTAL EXPENSE.

PART I, LINE 7:

THE COSTING METHODOLOGY USED IN THE TABLE FOR PART I, LINE 7 IS THE COST TO CHARGE RATIO DERIVED FROM WORKSHEET 2, "RATIO OF PATIENT CARE COST-TO-CHARGES", INCLUDED WITH THE SCHEDULE H INSTRUCTIONS. THIS RATIO WAS USED IN THE AMOUNTS ON LINES 7A AND 7B.

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
- 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 charity care policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals 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.).
- 7 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.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

ASSISTANCE IS AVAILABLE TO HELP THE PATIENT WITH THE MEDICAID

APPLICATION PROCESS.

NEEDS ASSESSMENT:

PART VI, LINE 2

AS A CRITICAL ACCESS HOSPITAL, RUMFORD HOSPITAL ATTEMPTS TO PROVIDE ANY NEEDED HEALTH CARE SERVICES NECESSARY TO TREAT THE POPULATION OF THIS RURAL AREA OF MAINE. ADDITIONALLY, RUMFORD HOSPITAL FOCUSES ON STATE-WIDE INITIATIVES, SUCH AS HEART DISEASE AND DIABETES, AS WELL AS ORGANIZATIONAL INITIATIVES BASED ON NEEDS OBSERVED WITHIN ITS PATIENT POPULATION. MANY FORMS OF EDUCATION, PREVENTION AND EARLY DETECTION ARE ALSO PART OF ITS COMMUNITY HEALTH CARE PLAN.

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE:

PART VI, LINE 3

RUMFORD HOSPITAL PROVIDES NOTICES ABOUT ITS FREE CARE POLICY IN ALL CLINICAL DEPARTMENTS AND MAJOR PATIENT AREAS. AN INPATIENT FINANCIAL

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
- 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 charity care policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals 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.).
- 7 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.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

COMMUNITY INFORMATION:

PART VI, LINE 4

RUMFORD HOSPITAL, LOCATED IN RUMFORD, MAINE, SERVES CENTRAL OXFORD COUNTY ALONG THE WESTERN BORDER OF MAINE. A LIGHTLY POPULATED, RURAL AREA, THE REGION HAS A PRIMARILY CAUCASIAN POPULATION. 16% OF PERSONS ARE AGED 65 OR OVER AND 14% OF THE POPULATION IS BELOW THE POVERTY LEVEL.

OTHER INFORMATION:

PART VI, LINE 6

RUMFORD HOSPITAL HAS AN OPEN MEDICAL STAFF, ALLOWING ANY NON-EMPLOYED OR AFFILIATED PHYSICIANS TO HAVE ADMITTING PRIVILEGES TO THE HOSPITAL. THE BOARD OF DIRECTORS IS MADE UP OF A MAJORITY OF LOCAL COMMUNITY MEMBERS ALONG WITH SOME REPRESENTATION BY DIRECTORS FROM CENTRAL MAINE HEALTHCARE, THE PARENT OF THE HEALTHCARE SYSTEM WHICH RUMFORD HOSPITAL BELONGS TO, HELPING TO BRING TOGETHER THE VISIONS OF THE LOCAL COMMUNITY WITH THE CAPABILITIES AND VISION OF THE SYSTEM AS

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
- 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 charity care policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals 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.).
- 7 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.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

A WHOLE FOR THE BENEFIT OF RUMFORD AND SURROUNDING COMMUNITIES.

AFFILIATED HEALTH CARE SYSTEM ROLES:

PART VI, LINE 7

AS A MEMBER OF THE CENTRAL MAINE HEALTHCARE SYSTEM, RUMFORD HOSPITAL PROVIDES HIGH QUALITY HEALTH CARE IN A RURAL SETTING WITH LIMITED HEALTH CARE OPTIONS. ITS AFFILIATION WITH CENTRAL MAINE MEDICAL CENTER PROVIDES ACCESS TO A MUCH LARGER, TERTIARY CARE HOSPITAL, INCLUDING TRAUMA CARE, NEONATAL INTENSIVE CARE, AND A SPECIALIZED CARDIAC CARE UNIT. ADDITIONALLY, CENTRAL MAINE MEDICAL CENTER PROVIDES ACCESS TO SPECIALIST PHYSICIANS FOR OUTPATIENT CARE IN THE RUMFORD AREA ON A REGULAR SCHEDULE. THE SYSTEM PARENT, CENTRAL MAINE HEALTHCARE PROVIDES STREAMLINED ADMINISTRATIVE FUNCTIONS AND BACKROOM SERVICES, ALLOWING RUMFORD HOSPITAL TO PERFORM AT A COST EFFICIENT LEVEL WHICH WOULD NORMALLY BE UNACHIEVABLE IN A SMALL, RURAL HOSPITAL, ALLOWING FOR BROADER RANGE OF SERVICES AVAILABLE.

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

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

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

MONITORING THE USE OF GRANT FUNDS

PART I, LINE 2

THE GRANTS WERE AWARDED TO CHARITABLE ORGANIZATIONS EXEMPT UNDER SECTION

501(C)(3) OF THE INTERNAL REVENUE CODE, FOR USE IN THEIR EXEMPT PURPOSE.

THE MISSIONS OF THESE ORGANIZATIONS ALSO HELP SUPPORT COMMUNITY HEALTH OR

HEALTHCARE, THEREBY HELPING TO FURTHER RUMFORD HOSPITAL'S EXEMPT PURPOSE

AS WELL. SINCE THE GRANTS WERE NOT AWARDED WITH A SPECIFIC PURPOSE

ATTACHED, NO TRACKING IS REQUIRED.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

RUMFORD HOSPITAL

Employer identification number

01-0215227

Part I Questions Regarding Compensation

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

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

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

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

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

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input checked="" 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? **4a** Yes No
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b** Yes No
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c** Yes No
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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

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

- a** The organization? **5a** Yes No
- b** Any related organization? **5b** Yes No
- If "Yes" to line 5a or 5b, describe in Part III.

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

- a** The organization? **6a** Yes No
- b** Any related organization? **6b** Yes No
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III **7** Yes No

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III **8** Yes No

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9** Yes No

| | Yes | No |
|-----------|-------------------------------------|-------------------------------------|
| 1a | | |
| 1b | | |
| 2 | | |
| 3 | | |
| 4a | | <input checked="" type="checkbox"/> |
| 4b | <input checked="" type="checkbox"/> | |
| 4c | | <input checked="" type="checkbox"/> |
| 5a | | <input checked="" type="checkbox"/> |
| 5b | | <input checked="" type="checkbox"/> |
| 6a | | <input checked="" type="checkbox"/> |
| 6b | | <input checked="" type="checkbox"/> |
| 7 | | <input checked="" type="checkbox"/> |
| 8 | | <input checked="" type="checkbox"/> |
| 9 | | <input checked="" type="checkbox"/> |

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

Schedule J (Form 990) 2009

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees Use Schedule J-1 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 | | | | |
| PETER E CHALKE | (i) | 0. | 0. | 0. | 0. | 0. | 0. |
| | (ii) | 528,255. | 97,000. | 39,339. | 0. | 17,132. | 681,726. |
| JOHN WELSH | (i) | 0. | 0. | 0. | 0. | 0. | 0. |
| | (ii) | 205,001. | 0. | 50,636. | 57,500. | 14,435. | 327,572. |
| THOMAS DELUCA, MD | (i) | 221,655. | 99,579. | 18,918. | 0. | 19,033. | 359,185. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. |
| CAROLYN GARCIA, MD | (i) | 249,892. | 10,551. | 20,935. | 0. | 9,888. | 291,266. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. |
| JACOB LEDESMA, MD | (i) | 214,281. | 180,840. | 32,890. | 0. | 13,273. | 441,284. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. |
| RICK MARDEN, MD | (i) | 152,581. | 131,320. | 11,633. | 0. | 13,733. | 309,267. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. |
| G SEAN CALLENDER, MD | (i) | 128,336. | 46,401. | 6,983. | 0. | 13,855. | 195,575. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. |
| DIETER KRECKEL, MD | (i) | 164,835. | 89,652. | 12,605. | 0. | 20,699. | 287,791. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. |
| | (i) | | | | | | |
| | (ii) | | | | | | |
| | (i) | | | | | | |
| | (ii) | | | | | | |
| | (i) | | | | | | |
| | (ii) | | | | | | |
| | (i) | | | | | | |
| | (ii) | | | | | | |
| | (i) | | | | | | |
| | (ii) | | | | | | |
| | (i) | | | | | | |
| | (ii) | | | | | | |
| | (i) | | | | | | |
| | (ii) | | | | | | |

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.

COMPENSATION MATTERS

SCHEDULE J, PART I, LINE 3

THE COMPENSATION OF THE ORGANIZATION'S PRESIDENT IS DETERMINED BY THE

PARENT CORPORATION'S BOARD OF DIRECTORS' EXECUTIVE COMPENSATION COMMITTEE

FOLLOWING THE PROCEDURES AND POLICIES FOR EXECUTIVES DESCRIBED IN

SCHEDULE O.

COMPENSATION

SCHEDULE J, PART II

COMPENSATION REPORTED IN COLUMN B(III) CONSISTS OF VARIOUS TAXABLE

BENEFITS NOT CLASSIFIED IN COLUMNS B(I) OR B(II). THESE TYPICALLY

INCLUDE ITEMS SUCH AS GROUP TERM LIFE INSURANCE, VESTED DISTRIBUTIONS OF

DEFERRED COMPENSATION PLANS, OR PERSONAL USE OF A BUSINESS VEHICLE. ON

THE OCCASIONS WHEN IT OCCURS, SEVERANCE PAY IS INCLUDED IN THIS COLUMN.

COLUMN C CONTAINS EMPLOYER CONTRIBUTIONS TO RETIREMENT PLANS AND OTHER

DEFERRED COMPENSATION PLANS. COLUMN D REPORTS COMPENSATION THAT IS NOT

TAXABLE IN W-2 BOX 5, BUT IS PROVIDED TO THE EMPLOYEE. TYPICALLY THESE

ARE HEALTH AND DENTAL BENEFITS, HEALTHCARE SPENDING ACCOUNT CONTRIBUTIONS

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.

BY THE EMPLOYEE, AND OTHER SIMILAR BENEFITS.

TERMS AND CONDITIONS

PART I, LINE 4

A PARTICIPANT'S ENTITLEMENT TO BENEFITS WILL VEST ON THE PARTICIPANT'S VESTING DATE, PROVIDED THE PARTICIPANT HAS REMAINED IN CONTINUOUS EMPLOYMENT IN THE SAME POSITION WHILE PARTICIPATING IN THIS PLAN. A PARTICIPANT WILL HAVE ONLY ONE VESTING DATE FOR ALL ELECTIVE DEFERRALS AND OTHER PLAN CONTRIBUTIONS MADE ON THE PARTICIPANT'S BEHALF DURING ALL PLAN YEARS. A PARTICIPANT'S ENTITLEMENT TO BENEFITS WILL ALSO VEST (A) IF THE PARTICIPANT DIES WHILE STILL EMPLOYED BY THE EMPLOYER, (B) IF THE PARTICIPANT'S EMPLOYMENT TERMINATES DUE TO TOTAL DISABILITY, OR (C) IF THE EMPLOYER TERMINATES THE PARTICIPANT'S EMPLOYMENT FOR ANY REASON, OTHER THAN FOR "CAUSE". ANY PORTION OF THE PARTICIPANT'S ENTITLEMENT TO BENEFITS THAT IS NOT VESTED WHEN THE PARTICIPANT'S EMPLOYMENT WITH THE EMPLOYER TERMINATES, INCLUDING ELECTIVE DEFERRALS, WILL BE FORFEITED. THE EMPLOYER WILL DISTRIBUTE A PARTICIPANT'S BENEFITS UNDER THE PLAN AS SOON AS PRACTICABLE AFTER THE PARTICIPANT'S ENTITLEMENT BECOMES VESTED.

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.

PARTICIPATION IN A NON-QUALIFIED RETIREMENT PLAN

PART I, LINE 4B

JOHN WELSH: \$57,500

NO OTHER PARTICIPANTS RECEIVED PAYMENTS OR MADE DEFERRED CONTRIBUTIONS

DURING THE YEAR.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No. 1545-0047

2009

Open To Public Inspection

| | |
|---|---|
| Name of the organization RUMFORD HOSPITAL | Employer identification number 01-0215227 |
|---|---|

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

| 1 | (a) Name of disqualified person | (b) Description of transaction | (c) Corrected? | |
|---|---------------------------------|--------------------------------|----------------|----|
| | | | Yes | No |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

| (a) Name of interested person and purpose | (b) Loan to or from the organization? | | (c) Original principal amount | (d) Balance due | (e) In default? | | (f) Approved by board or committee? | | (g) Written agreement? | |
|---|---------------------------------------|------|-------------------------------|-----------------|-----------------|----|-------------------------------------|----|------------------------|----|
| | To | From | | | Yes | No | Yes | No | Yes | No |
| CAROLYN GARCIA SALARY ADVANCE | | X | 15,000. | 3,470. | | X | | X | X | |
| CAROLYN GARCIA TAIL INSURANCE | | X | 187,402. | 103,642. | | X | | X | X | |
| | | | | | | | | | | |
| | | | | | | | | | | |

Total ▶ \$ 107,112.

Part III Grants or Assistance Benefitting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount and type of assistance |
|-------------------------------|---|-----------------------------------|
| | | |
| | | |
| | | |
| | | |

Part IV Business Transactions Involving Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount of transaction | (d) Description of transaction | (e) Sharing of organization's revenues? | |
|-------------------------------|---|---------------------------|--------------------------------|---|----|
| | | | | Yes | No |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule L (Form 990 or 990-EZ) 2009

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

RUMFORD HOSPITAL

Supplemental Information to Form 990

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

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Employer identification number

01-0215227

ATTACHMENT 1

FAMILY OR BUSINESS RELATIONSHIPS

FORM 990, PART VI, SECTION A, LINE 2

JOSEPH POIRIER HAS A FAMILY RELATIONSHIP WITH ROBERT STICKNEY.

MEMBERS OR STOCKHOLDERS

FORM 990, PART VI, SECTION A, LINES 6, 7A AND 7B

THE MEMBER OF THE CORPORATION SHALL BE CENTRAL MAINE HEALTHCARE CORPORATION, A CORPORATION DULY ORGANIZED UNDER THE LAWS OF THE STATE OF MAINE. THE MEMBER SHALL HAVE THE RIGHT TO (A) APPROVE THE ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS; (B) REMOVE MEMBERS OF THE BOARD OF DIRECTORS; AND (C) APPROVE CERTAIN DECISIONS OF THE BOARD OF DIRECTORS, AS DETAILED IN THE BYLAWS OF THE CORPORATION. THERE SHALL BE NINE (9) DIRECTORS OF THE CORPORATION WHO SHALL BE ENTITLED TO VOTE. ONE (1) OF THE NINE (9) VOTING DIRECTORS SHALL BE APPOINTED BY THE MEMBER, AND THE BALANCE OF VOTING DIRECTORS SHALL BE ELECTED BY THE BOARD OF DIRECTORS.

FORM 990 REVIEW PROCESS

FORM 990, PART VI, SECTION B, LINE 11A

ALL AFFILIATED FORM 990'S AND APPLICABLE SCHEDULES ARE PREPARED BY A PUBLIC ACCOUNTING FIRM IN COOPERATION WITH THE FINANCE DEPARTMENT. THE COMPLETED RETURNS ARE REVIEWED WITH THE DIRECTOR OF FINANCE, THEN WITH THE CFO. FOLLOWING THAT REVIEW, THEY ARE PRESENTED TO THE FINANCE COMMITTEE OF THE CENTRAL MAINE HEALTHCARE BOARD OF DIRECTORS, WHICH HAS REPRESENTATIVES FROM ALL AFFILIATED BOARDS. ONCE THIS REVIEW IS

| | |
|--|--|
| Name of the organization RUMFORD HOSPITAL | Employer identification number 01-0215227 |
|--|--|

ATTACHMENT 1 (CONT'D)

COMPLETED, ANY NECESSARY CHANGES ARE MADE AND THE FINAL RETURN IS PRESENTED TO ITS RESPECTIVE BOARD, WITH THE FINANCE COMMITTEE MEMBER TAKING AND ANSWERING QUESTIONS. A FINANCE DEPARTMENT REPRESENTATIVE, KNOWLEDGEABLE OF THE RETURN, IS AVAILABLE TO ASSIST DURING PRESENTATIONS, IF REQUESTED BY THE FINANCE COMMITTEE MEMBER. IN THE EVENT THAT THE NEXT BOARD MEETING IS NOT SCHEDULED UNTIL AFTER THE FILING DATE, THE FINAL RETURN IS MAILED TO ALL BOARD MEMBERS AND THE PRESENTATION OCCURS AT THE NEXT SCHEDULED BOARD MEETING.

CONFLICT OF INTEREST POLICY

FORM 990, PART VI, SECTION B, LINE 12C

OFFICERS AND DIRECTORS COMPLETE AN ANNUAL CONFLICT OF INTEREST STATEMENT WHICH IS REVIEWED BY THE CHAIRMAN OF THE BOARD AND CONFORMS TO THE CONDITIONS CONTAINED WITHIN THE CORPORATION'S BYLAWS, WHICH MEET OR EXCEED THE CURRENT IRS REPORTING THRESHOLDS. IN AREAS OF CONFLICT BY THE CHAIRMAN, THE VICE-CHAIRMAN REVIEWS. ADDITIONALLY, AS PART OF THE ANNUAL FORM 990 PREPARATION PROCESS, A SEPARATE QUESTIONNAIRE IS PROVIDED, WHICH INCLUDES DISTRIBUTION TO KEY EMPLOYEES, COVERING REPORTING AREAS OF LOANS, GRANTS, BUSINESS RELATIONSHIPS, AND OTHER CONFLICTS. THESE QUESTIONNAIRES ARE REVIEWED BY THE FINANCE DEPARTMENT FOR REPORTABLE ITEMS FOR THE FORM 990. IN THE CASE OF A POSSIBLE CONFLICT, THE BOARD WOULD REVIEW THE SITUATION AND TAKE ACTIONS DEEMED APPROPRIATE FOR THE POSSIBLE OR ACTUAL CONFLICTS OF MEMBERS OF THE BOARD OR THE EXECUTIVE OFFICERS. IN THE CASE OF KEY EMPLOYEES, THE REVIEW AND ACTIONS TAKEN WOULD BE PERFORMED BY THEIR DIRECT SUPERVISORS.

COMPENSATION POLICY - OFFICERS

| | |
|--|--|
| Name of the organization RUMFORD HOSPITAL | Employer identification number 01-0215227 |
|--|--|

ATTACHMENT 1 (CONT'D)

FORM 990, PART VI, SECTION B, LINE 15A

CENTRAL MAINE HEALTHCARE (CMHC) HAS ESTABLISHED AND FOLLOWS A DELIBERATIVE TRANSPARENT PROCESS WHICH MEETS IRS REGULATIONS FOR "REBUTTABLE PRESUMPTION OF REASONABLENESS". A STANDING EXECUTIVE COMPENSATION COMMITTEE (ECC), COMPRISED OF INDEPENDENT MEMBERS OF BOARD LEADERSHIP, EXISTS TO UNDERTAKE THE PROCESS OF DETERMINING COMPENSATION FOR THE CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, CHIEF MEDICAL OFFICER, PRESIDENT OF CENTRAL MAINE MEDICAL CENTER, PHYSICIAN PRACTICE EXECUTIVE, PRESIDENT OF RUMFORD HOSPITAL, AND PRESIDENT OF BRIDGTON HOSPITAL. THE PROCESS GUIDELINES AND AUTHORITY OF THE ECC ARE SET OUT IN THE EXECUTIVE COMPENSATION PHILOSOPHY AND RESPONSIBILITIES CHARTER WHICH WAS APPROVED BY THE CMHC BOARD. THE ENTIRE CMHC BOARD PARTICIPATES IN THE ANNUAL PERFORMANCE EVALUATION OF EACH EXECUTIVE, INCLUDING A REVIEW OF ACCOMPLISHMENTS RELATIVE TO GOALS AND OBJECTIVES DERIVED FROM THE STRATEGIC PLAN. THE ECC REVIEWS THE RESULTS OF THE ANNUAL PERFORMANCE EVALUATION AND APPROPRIATE COMPARABILITY DATA BASED ON SEVERAL FACTORS RECOMMENDED BY AN INDEPENDENT EXECUTIVE COMPENSATION CONSULTANT, WHO SPECIALIZES IN NOT-FOR-PROFIT HOSPITALS AND HEALTH SYSTEMS, AND OUR ATTORNEYS. FACTORS USED IN DETERMINING COMPARABILITY TO THE ORGANIZATION INCLUDE SIZE, GEOGRAPHY, ORGANIZATIONAL COMPLEXITY, FACILITY TYPE, OWNERSHIP TYPE, AND ANY OTHER FACTORS DEEMED RELEVANT BY THE COMMITTEE, ITS CONSULTANTS, OR ITS ATTORNEYS. USING THIS INFORMATION, THE ECC ANNUALLY REVIEWS THE EXECUTIVES' COMPENSATION TO DETERMINE IF MODIFICATION TO BASE SALARY IS WARRANTED, AND REVIEWS THE EXECUTIVES' ACCOMPLISHMENTS TO DETERMINE IF ANY VARIABLE PAY IS TO BE AWARDED. THE ENTIRE PROCESS IS THEN DOCUMENTED CONTEMPORANEOUSLY WITH THE

| | |
|--|--|
| Name of the organization RUMFORD HOSPITAL | Employer identification number 01-0215227 |
|--|--|

ATTACHMENT 1 (CONT'D)

DECISION-MAKING PROCESS AND APPROVED THEREAFTER IN ACCORDANCE WITH THE REQUIREMENTS OF THE IRS.

COMPENSATION POLICY - KEY EMPLOYEES

FORM 990, PART VI, SECTION B, LINE 15B

THE COMPENSATION PAID TO KEY EMPLOYEES IS REVIEWED BY THE VICE PRESIDENT OF HUMAN RESOURCES AND ORGANIZATIONAL DEVELOPMENT. DURING THE REVIEW PROCESS, THE CENTRAL MAINE HEALTHCARE COMPENSATION MANAGER PROVIDES MARKET DATA ON COMPARABLE POSITIONS FROM COMPARATIVE GROUPS OF HEALTHCARE ORGANIZATIONS THAT ARE APPROPRIATELY SIMILAR IN TERMS OF THEIR REVENUE, GEOGRAPHIC LOCATION, NUMBER OF EMPLOYEES, NUMBER OF STAFFED HOSPITAL BEDS, ETC. HUMAN RESOURCES PROVIDES AT A MINIMUM FOUR SETS OF COMPARABILITY DATA FROM THE MOST RECENT NATIONAL HEALTHCARE SPECIFIC COMPENSATION SURVEYS (E.G. WATSON & WYATT, SULLIVAN & COTTER, THE HAY GROUP, MERCER, ETC.) FOR REFERENCE. THESE SURVEYS REPORT PAY RATE DATA THAT IS TYPICALLY AGED LESS THAN 6 MONTHS. CENTRAL MAINE HEALTHCARE AND AFFILIATES STRIVE TO PAY AT THE MARKET AVERAGE OR SLIGHTLY ABOVE IT FOR KEY EMPLOYEES. ONCE THE COMPENSATION MANAGER AND THE VICE PRESIDENT OF HUMAN RESOURCES AND ORGANIZATIONAL DEVELOPMENT HAVE FINALIZED RECOMMENDATIONS BASED ON THIS EMPIRICAL DATA, THEY ARE PRESENTED TO THE PRESIDENTS OF EACH HOSPITAL THAT SUPERVISE THE KEY EMPLOYEE, AND THE CEO OF CENTRAL MAINE HEALTHCARE, FOR REVIEW, EDITS AND APPROVAL. THIS PROCESS TYPICALLY OCCURS THE DURING LAST MONTH OF THE FISCAL YEAR IN PREPARATION FOR THE NEXT FISCAL YEAR. CENTRAL MAINE HEALTHCARE DOCUMENTS THE BASIS FOR ITS DETERMINATION OF KEY EMPLOYEES' COMPENSATION AND MAINTAINS THIS CONTEMPORANEOUSLY SUBSTANTIATED MATERIAL IN THE HUMAN RESOURCES DEPARTMENT.

| | |
|--|--|
| Name of the organization RUMFORD HOSPITAL | Employer identification number 01-0215227 |
|--|--|

ATTACHMENT 1 (CONT'D)

PUBLIC DISCLOSURE

FORM 990, PART VI, SECTION C, LINE 19

THE ORGANIZATION'S GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE AVAILABLE UPON REQUEST IN THE ORGANIZATION'S ADMINISTRATIVE OFFICES. THE FINANCIAL STATEMENTS OF THE ORGANIZATION ARE INCLUDED IN THE MOST RECENTLY FILED FORM 990 AND PROVIDED, UPON REQUEST, IN THAT FORMAT UNLESS THE SPECIFIC REQUEST DEEMS A DIFFERENT FORMAT MORE APPROPRIATE.

ATTACHMENT 2990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

| <u>NAME AND ADDRESS</u> | <u>DESCRIPTION OF SERVICES</u> | <u>COMPENSATION</u> |
|---|--------------------------------|---------------------|
| NASON MECHANICAL SYSTEMS 194 MERROW RD AUBURN, ME 04210 | MECHANICAL SERVICES | 242,079. |
| STAFF CARE PO BOX 281923 ATLANTA, GA 30384-1923 | MEDICAL STAFFING | 177,908. |
| X RAY PROFESSIONAL ASSOCIATION 12 BATES ST STE C LEWISTON, ME 04240 | MEDICAL SERVICES | 164,330. |
| ARUP LABORATORIES PO BOX 27964 SALT LAKE CITY, UT 84127 | LAB SERVICES | 147,439. |
| TOTAL COMPENSATION | | <u>731,756.</u> |

ATTACHMENT 3

| | |
|--|--|
| Name of the organization RUMFORD HOSPITAL | Employer identification number 01-0215227 |
|--|--|

ATTACHMENT 3 (CONT'D)

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

| <u>DESCRIPTION</u> | <u>BEGINNING BOOK VALUE</u> | <u>ENDING BOOK VALUE</u> |
|----------------------------|---------------------------------|------------------------------|
| BOARD DESIGNATED FUNDS | 1,459,874. | 1,714,133. |
| FUNDS HELD BY BOND TRUSTEE | 48,421. | 48,447. |
| DONOR-RESTRICTED FUNDS | 834,415. | 879,802. |
| TOTALS | <u>2,342,710.</u> | <u>2,642,382.</u> |

ATTACHMENT 4

FORM 990, PART X - SECURED MORTGAGES AND NOTES PAYABLE

LENDER: 4.5% RURAL DEVELOPMENT NOTES

| | |
|---|---------------------|
| BEGINNING BALANCE DUE | 733,524. |
| ENDING BALANCE DUE | <u>718,112.</u> |
| TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE | <u>733,524.</u> |
| TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE | <u>718,112.</u> |

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2009

**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.**

Name of the organization

RUMFORD HOSPITAL

Employer identification number

01-0215227

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 |
|---|-------------------------|--|---------------------|---------------------------|----------------------------------|
| ----- | | | | | |
| ----- | | | | | |
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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 |
|--|-------------------------|--|----------------------------|---|----------------------------------|
| CENTRAL MAINE COMMUNITY HEALTH CORP 01-0386912 P.O. BOX 4500 LEWISTON, ME 04243 | PUBLIC EDUCAT | ME | 501 (C) (3) | 7 | CMHC |
| CENTRAL MAINE MEDICAL CENTER 01-0211494 P.O. BOX 4500 LEWISTON, ME 04243 | HEALTHCARE | ME | 501 (C) (3) | 3 | CMHC |
| CMMC COLLEGE OF NURSING & HEALTH PROF. 01-0356077 P.O. BOX 4500 LEWISTON, ME 04243 | EDUCATION | ME | 501 (C) (3) | 2 | CMMC |
| CENTRAL MAINE REAL ESTATE MGMT CORP. 01-0387674 P.O. BOX 4500 LEWISTON, ME 04243 | REAL ESTATE | ME | 501 (C) (2) | | CMHC |
| CENTRAL MAINE HEALTHCARE CORPORATION 01-0386913 P.O. BOX 4500 LEWISTON, ME 04243 | HEALTHCARE | ME | 501 (C) (3) | 9 | CMHC |
| RUMFORD COMMUNITY FAMILY HEALTH CENTER 01-0481000 430 FRANKLIN STREET RUMFORD, ME 04276 | HEALTHCARE | ME | 501 (C) (3) | 3 | CMHC |
| RUMFORD COMMUNITY HOME CORPORATION 22-2844951 11 JOHN F. KENNEDY LANE RUMFORD, ME 04276 | HEALTHCARE | ME | 501 (C) (3) | 9 | CMHC |

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

Schedule R (Form 990) 2009

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? | |
|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|--------------------------------------|----|--|-------------------------------------|----|
| | | | | | | | Yes | No | | Yes | No |
| | | | | | | | | | | | |
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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 |
|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|-----------------------------|
| CENTRAL MAINE HEALTH VENTURES, INC. 01-0430016 300 MAIN STREET LEWISTON, ME 04240 | HEALTHCARE | ME | CMHC | C CORP | 0. | 0. | 0.0000 |
| CWM INSURANCE, LTD. 98-0220891 GENESIS BUILDING P.O. BOX 1363 GRAND CAYMAN, B.W.I. | INSURANCE | CJ | CMHC | C CORP | 0. | 0. | 0.0000 |
| | | | | | | | |
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Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

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

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

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 |
|-----|-----------------------------------|-------------------------------|------------------------|
| (1) | | | |
| (2) | | | |
| (3) | | | |
| (4) | | | |
| (5) | | | |
| (6) | | | |

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

| (A) Name of other organization | (B) Transaction type (a-r) | (C) Amount involved |
|-----------------------------------|----------------------------------|------------------------|
| (7) | | |
| (8) | | |
| (9) | | |
| (10) | | |
| (11) | | |
| (12) | | |
| (13) | | |
| (14) | | |
| (15) | | |
| (16) | | |
| (17) | | |
| (18) | | |
| (19) | | |
| (20) | | |
| (21) | | |
| (22) | | |
| (23) | | |
| (24) | | |

