

Form **990**
(Rev. January 2020)
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

A For the 2019 calendar year, or tax year beginning **OCT 1, 2019** and ending **SEP 30, 2020**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Huggins Hospital		D Employer identification number 02-0223332
	Doing business as		E Telephone number 603-569-7571
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 100,987,193.
	P.O. Box 912		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	City or town, state or province, country, and ZIP or foreign postal code Wolfeboro, NH 03894		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No
F Name and address of principal officer: Jeremy Roberge same as C above			If "No," attach a list. (see instructions)
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: www.hugginshospital.org			
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: 1907 M State of legal domicile: NH

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: Critical Access Hospital		
	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	16
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	12
	5 Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5	653
	6 Total number of volunteers (estimate if necessary)	6	110
	7 a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 39	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 609,835.	Current Year 5,037,356.
	9 Program service revenue (Part VIII, line 2g)	64,062,379.	64,230,205.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,709,535.	3,099,168.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	96,839.	96,695.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	70,478,588.	72,463,424.
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	192,099.
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)		36,548,706.	39,043,116.
16a Professional fundraising fees (Part IX, column (A), line 11e)		0.	0.
b Total fundraising expenses (Part IX, column (D), line 25)		225,212.	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		28,493,934.	29,116,579.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	65,234,739.	68,252,278.	
19 Revenue less expenses. Subtract line 18 from line 12	5,243,849.	4,211,146.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 131,136,061.	End of Year 164,534,841.
	21 Total liabilities (Part X, line 26)	54,210,374.	83,910,148.
	22 Net assets or fund balances. Subtract line 21 from line 20	76,925,687.	80,624,693.

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	
	Jeremy Roberge, President & CEO Type or print name and title			
Paid Preparer Use Only	Print/Type preparer's name Joseph R. Byrne	Preparer's signature Joseph R. Byrne	Date 08/02/21	Check if self-employed <input type="checkbox"/> PTIN P01289281
	Firm's name Berry Dunn McNeil & Parker, LLC	Firm's EIN 01-0523282	Phone no. (207) 775-2387	

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission: Huggins Hospital's mission is to empower the fulfillment of life through better health.

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

4a (Code:) (Expenses \$ 46,866,107. including grants of \$ 92,583.) (Revenue \$ 64,230,205.) Huggins Hospital is a non-profit Critical Access Hospital that provides medical services to the region's year-round population of 30,000 residents and approximately 120,000 seasonal residents and visitors. Our services include primary care, inpatient care, intensive care, surgery, medical imaging and diagnostics, gynecology, orthopedics, pediatrics, cardiology, respiratory therapy, speech therapy, nutrition services, cardiac and physical rehabilitation, social services and emergency services.

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

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

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

4e Total program service expenses 46,866,107.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals 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	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
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?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) 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 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <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, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>		X
c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <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, Part II, III, or IV, and Part V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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 11b and 19?	X	

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with columns for question number, question text, and Yes/No checkboxes. Includes questions 2a through 16 regarding employee counts, tax returns, unrelated business income, foreign accounts, prohibited transactions, and charitable contributions.

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 on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (16), 1b (12), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

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, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed NH
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection.
19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records Jeremy Roberge - (603) 569-7510 P.O. Box 912, Wolfeboro, NH 03894

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

Check if Schedule O contains a response or note to any line in this Part VII

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

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, 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. See instructions for the order in which to list the persons above.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) John J. Daigneault, CPA Chairman	2.00 0.00	X		X				0.	0.	0.
(2) Stephen Wainwright Vice Chairman	2.00 0.00	X		X				0.	0.	0.
(3) Kathy Barnard Secretary	2.00 0.00	X		X				0.	0.	0.
(4) Howie Knight Treasurer	2.00 0.00	X		X				0.	0.	0.
(5) James Cubeddu, PA-C Assistant Treasurer	40.00 0.00	X		X			135,745.	0.	12,256.	
(6) Jeremy Roberge President & CEO	40.00 1.00	X		X			324,250.	0.	8,802.	
(7) Marcia Arsnow Trustee	2.00 0.00	X					0.	0.	0.	
(8) David Booth Trustee	2.00 0.00	X					0.	0.	0.	
(9) Judith Cole, APRN Trustee	2.00 0.00	X					0.	0.	0.	
(10) Michael Gallup Trustee	2.00 0.00	X					0.	0.	0.	
(11) Michael L'Ecuyer Trustee	2.00 0.00	X					0.	0.	0.	
(12) Leslie MacLeod Trustee	2.00 1.00	X					0.	0.	0.	
(13) William Marsh Trustee	2.00 1.00	X					0.	0.	0.	
(14) Joseph Pepe, MD Trustee	2.00 49.00	X					0.	866,957.	420,805.	
(15) Corrine Smith, RN Trustee	2.00 0.00	X					0.	0.	0.	
(16) Alex Walker, Esq. Trustee	2.00 42.00	X					0.	537,215.	221,123.	
(17) George Walker, Esq. Past Trustee	2.00 0.00	X					0.	0.	0.	

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Joshua Upham VP of Finance	40.00 0.00			X				158,942.	0.	4,789.
(19) John S. Boornazian Chief Medical Officer	40.00 0.00				X			245,885.	0.	31,495.
(20) Michael Giovan Surgeon	40.00 0.00					X		434,050.	0.	37,181.
(21) George Costello Surgeon	40.00 0.00					X		325,859.	0.	31,649.
(22) William Barton Surgeon	40.00 0.00					X		302,990.	0.	11,260.
(23) Eric Lewis Physician	40.00 0.00					X		275,737.	0.	36,449.
(24) Dona Varghese Physician	40.00 0.00					X		252,115.	0.	6,137.
1b Subtotal								2,455,573.	1,404,172.	821,946.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								2,455,573.	1,404,172.	821,946.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **59**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Lacewood Group, Inc. PO Box 868, Moultonborough, NH 03254	Construction	1,200,601.
NCM Management, Inc. 6 Lily Pond Rd., Gilford, NH 03249	Construction	1,144,761.
TeamHealth PO Box 634850, Cincinnati, OH 45263	Contract Employment	1,128,492.
Weatherby Locums, Inc. PO Box 972633, Dallas, TX 75397-2633	Contract Employment	948,654.
Comphealth Associates PO Box 972651, Dallas, TX 75397-2633	Contract Employment	655,346.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **51**

Part VIII Statement of Revenue

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

				(A)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	3,746,410.				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,290,946.				
	g	Noncash contributions included in lines 1a-1f	1g	\$				
	h	Total. Add lines 1a-1f			5,037,356.			
Program Service Revenue	2 a	Patient Service Revenue	Business Code	622100	121,370,441.	121,370,441.		
	b	Miscellaneous		622100	4,042,588.	2,139,803.	1,902,785.	
	c	Contractual/Char. Adj.		622100	-61,182,824.	-61,182,824.		
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			64,230,205.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)			1,136,201.		1,136,201.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross rents	(i) Real	96,695.				
			(ii) Personal					
	6 b	Less: rental expenses		0.				
	6 c	Rental income or (loss)		96,695.				
	d	Net rental income or (loss)			96,695.		96,695.	
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	30,486,736.				
			(ii) Other					
	7 b	Less: cost or other basis and sales expenses		28,523,769.				
7 c	Gain or (loss)		1,962,967.					
d	Net gain or (loss)			1,962,967.		1,962,967.		
8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a						
8 b	Less: direct expenses	8b						
c	Net income or (loss) from fundraising events							
9 a	Gross income from gaming activities. See Part IV, line 19	9a						
9 b	Less: direct expenses	9b						
c	Net income or (loss) from gaming activities							
10 a	Gross sales of inventory, less returns and allowances	10a						
10 b	Less: cost of goods sold	10b						
c	Net income or (loss) from sales of inventory							
Miscellaneous Revenue	11 a		Business Code					
	b							
	c							
	d	All other revenue						
	e	Total. Add lines 11a-11d						
12	Total revenue. See instructions			72,463,424.	62,327,420.	0.	5,098,648.	

Part IX Statement of Functional Expenses

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

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...	92,583.	92,583.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,122,935.	765,813.	357,122.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	30,750,388.	21,791,181.	8,886,142.	73,065.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	838,800.	594,744.	242,265.	1,791.
9 Other employee benefits	4,266,285.	3,024,975.	1,239,650.	1,660.
10 Payroll taxes	2,064,708.	1,506,480.	551,387.	6,841.
11 Fees for services (nonemployees):				
a Management	497,617.		497,617.	
b Legal	211,153.		211,153.	
c Accounting	63,993.		63,993.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch. O.)	9,299,321.	7,389,247.	1,777,841.	132,233.
12 Advertising and promotion	76,174.		76,174.	
13 Office expenses	1,470,100.	975,165.	485,313.	9,622.
14 Information technology	122,545.	82,090.	40,455.	
15 Royalties				
16 Occupancy	1,820,039.	1,219,202.	600,837.	
17 Travel	60,567.	40,572.	19,995.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings	11,750.	7,871.	3,879.	
20 Interest	918,050.	532,469.	385,581.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	4,713,929.	1,461,318.	3,252,611.	
23 Insurance	751,534.	368,381.	383,153.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Medical Supplies	5,364,776.	3,593,740.	1,771,036.	
b Medicaid Provider Tax	2,795,964.	2,795,964.		
c Miscellaneous	939,067.	624,312.	314,755.	
d _____				
e All other expenses _____				
25 Total functional expenses. Add lines 1 through 24e	68,252,278.	46,866,107.	21,160,959.	225,212.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	6,742,534.	1	20,715,550.
	2 Savings and temporary cash investments	7,465,472.	2	24,194,535.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	10,292,065.	4	6,993,301.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	573,386.	8	686,339.
	9 Prepaid expenses and deferred charges	514,372.	9	211,146.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 100,126,585.		
	b Less: accumulated depreciation	10b 51,614,050.	45,582,298.	10c 48,512,535.
	11 Investments - publicly traded securities	51,963,981.	11	55,704,095.
	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	8,001,953.	15	7,517,340.
16 Total assets. Add lines 1 through 15 (must equal line 33)	131,136,061.	16	164,534,841.	
Liabilities	17 Accounts payable and accrued expenses	7,027,985.	17	8,370,481.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	20,132,685.	20	24,594,459.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	27,049,704.	25	50,945,208.
	26 Total liabilities. Add lines 17 through 25	54,210,374.	26	83,910,148.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	58,262,448.	27	62,101,189.
	28 Net assets with donor restrictions	18,663,239.	28	18,523,504.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	76,925,687.	32	80,624,693.
	33 Total liabilities and net assets/fund balances	131,136,061.	33	164,534,841.

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	72,463,424.
2	Total expenses (must equal Part IX, column (A), line 25)	2	68,252,278.
3	Revenue less expenses. Subtract line 2 from line 1	3	4,211,146.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	76,925,687.
5	Net unrealized gains (losses) on investments	5	1,171,504.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	-1,683,644.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	80,624,693.

Part XII Financial Statements and Reporting

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

- 1 Accounting method used to prepare the Form 990: Cash Accrual Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- b Were the organization's financial statements audited by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- 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 on Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2019)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Name of the organization **Huggins Hospital** Employer identification number **02-0223332**

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

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2018 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2019. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2018. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2019. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2018. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2019 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2018 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2019 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2018 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2019. 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 - 2018. 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 Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2 Activities Test. Answer (a) and (b) below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2019 from Section C, line 6	
10 Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2019	(iii) Distributable Amount for 2019
1 Distributable amount for 2019 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2019 (reasonable cause required- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2019			
a From 2014			
b From 2015			
c From 2016			
d From 2017			
e From 2018			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2019 distributable amount			
i Carryover from 2014 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2019 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2019 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI . See instructions.			
6 Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI . See instructions.			
7 Excess distributions carryover to 2020. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2015			
b Excess from 2016			
c Excess from 2017			
d Excess from 2018			
e Excess from 2019			

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Name of the organization

Huggins Hospital

Employer identification number

02-0223332

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization Huggins Hospital	Employer identification number 02-0223332
---	---

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
<u>1</u>	 <hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>2</u>	 <hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>3</u>	 <hr/> <hr/> <hr/>	\$ <u>150,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>4</u>	 <hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>5</u>	 <hr/> <hr/> <hr/>	\$ <u>28,001.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>6</u>	 <hr/> <hr/> <hr/>	\$ <u>8,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization Huggins Hospital	Employer identification number 02-0223332
---	---

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	 <hr/> <hr/> <hr/>	\$ <u>12,536.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	 <hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9	 <hr/> <hr/> <hr/>	\$ <u>35,554.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10	 <hr/> <hr/> <hr/>	\$ <u>250,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11	 <hr/> <hr/> <hr/>	\$ <u>15,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
12	 <hr/> <hr/> <hr/>	\$ <u>248,006.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization Huggins Hospital	Employer identification number 02-0223332
---	---

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
13	<hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
14	<hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
15	<hr/> <hr/> <hr/>	\$ 121,727.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
16	<hr/> <hr/> <hr/>	\$ 133,656.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
17	<hr/> <hr/> <hr/>	\$ 7,003.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
18	<hr/> <hr/> <hr/>	\$ 729,023.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization Huggins Hospital	Employer identification number 02-0223332
---	---

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
19	<hr/> <hr/> <hr/>	\$ <u>3,007,387.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization Huggins Hospital	Employer identification number 02-0223332
---	---

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____
	<div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"> </div>	\$ _____	_____

Name of organization Huggins Hospital	Employer identification number 02-0223332
---	---

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2019

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

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

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

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

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

Name of organization Huggins Hospital	Employer identification number 02-0223332
---	---

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 campaign activity expenditures ▶ \$ _____
- 3 Volunteer hours for political campaign activities

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

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

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

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

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. **Schedule C (Form 990 or 990-EZ) 2019**

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a	Total lobbying expenditures to influence public opinion (grassroots 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 border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 50%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
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?														

Yes No

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		11,583.
j Total. Add lines 1c through 1i			11,583.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

Part II-B, Line 1, Lobbying Activities:

Huggins Hospital is a member of the NH Hospital Association and the American Hospital Association. A portion of the dues paid to these organizations is available for lobbying expenditures on behalf of Huggins and other organizations in furtherance of their exempt purposes. Huggins Hospital does not directly perform any lobbying

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2019

Open to Public Inspection

Name of the organization **Huggins Hospital** Employer identification number **02-0223332**

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of 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" on Form 990, Part IV, line 7.

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

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

	Held at the End of the Tax 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 7/25/06, and not on a historic structure listed in the National Register	2d

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

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

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

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

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

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

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

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

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

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

(i) Revenue included on 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 FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule D (Form 990) 2019

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 make 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 program
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" on 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	11,594,957.	11,989,038.	11,550,011.	10,812,980.	10,583,678.
b Contributions					
c Net investment earnings, gains, and losses	904,766.	169,919.	1,003,027.	1,301,031.	793,302.
d Grants or scholarships					
e Other expenditures for facilities and programs	564,000.	564,000.	564,000.	564,000.	564,000.
f Administrative expenses					
g End of year balance	11,935,723.	11,594,957.	11,989,038.	11,550,011.	10,812,980.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment .00 %
 - b Permanent endowment 29.41 %
 - c Term endowment 70.59 %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---|-----|----|
| (i) Unrelated organizations | | X |
| (ii) Related organizations | | X |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? <input type="checkbox"/> | 3b | |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		1,638,476.		1,638,476.
b Buildings		54,452,210.	31,014,428.	23,437,782.
c Leasehold improvements				
d Equipment		30,408,179.	17,001,892.	13,406,287.
e Other		13,627,720.	3,597,730.	10,029,990.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				48,512,535.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Interest Rate Swap	3,860,137.
(3) Estimated Third-Party Payor	
(4) Settlements	25,414,641.
(5) Provider Relief Funds	2,527,230.
(6) CARES Act Funding	6,443,200.
(7) Medicare Accelerated Payments	12,700,000.
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	50,945,208.

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

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

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d		2e
3	Subtract line 2e from line 1		3
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	0.
c	Add lines 4a and 4b		4c
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5

Part XIII Supplemental Information.

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

Part V, line 4:

The intended use of the endowment fund is to support health care services including indigent care, health education, as well as capital improvements and acquisitions.

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, question 20.
- ▶ Attach to Form 990.
- ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Name of the organization **Huggins Hospital** Employer identification number **02-0223332**

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:	<input checked="" type="checkbox"/>	
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>125</u> %		
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:	<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	<input checked="" type="checkbox"/>	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		<input checked="" type="checkbox"/>
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?		
6a Did the organization prepare a community benefit report during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization make it available to the public?	<input checked="" type="checkbox"/>	

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

7 Financial Assistance and Certain Other Community Benefits at Cost

	(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
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			616,104.	218,744.	397,360.	.58%
b Medicaid (from Worksheet 3, column a)			6864652.	5194746.	1669906.	2.45%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs			7480756.	5413490.	2067266.	3.03%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			4220791.	4026500.	194,291.	.28%
f Health professions education (from Worksheet 5)			434,586.		434,586.	.64%
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			149,824.		149,824.	.22%
j Total. Other Benefits			4805201.	4026500.	778,701.	1.14%
k Total. Add lines 7d and 7j			12285957.	9439990.	2845967.	4.17%

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

1 Huggins Hospital
PO Box 912
Wolfeboro, NH 03894
www.hugginshospital.org
01990

Table with columns: Licensed hospital, gen. medical & surgical, Children's hospital, Teaching hospital, Critical access hospital, Research facility, ER-24 hours, ER-other, Other (describe), Facility reporting group. Row 1: X, X, , , X, , X, , ,

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or letter of facility reporting group Huggins Hospital

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>18</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C		X
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>www.hugginshospital.org/about/community-h</u>		
b <input type="checkbox"/> Other website (list url):		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>18</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>www.hugginshospital.org/about/community-health-needs</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group Huggins Hospital

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:			
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>125</u> % and FPG family income limit for eligibility for discounted care of <u>200</u> %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input checked="" type="checkbox"/> Asset level		
d	<input type="checkbox"/> Medical indigency		
e	<input type="checkbox"/> Insurance status		
f	<input type="checkbox"/> Underinsurance status		
g	<input type="checkbox"/> Residency		
h	<input type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	X	
15	Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):			
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>See Part V, Page 8</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>See Part V, Page 8</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>See Part V, Page 8</u>		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j	<input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group Huggins Hospital

	Yes	No
<p>17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?</p>	X	
<p>18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:</p> <p>a <input type="checkbox"/> Reporting to credit agency(ies)</p> <p>b <input type="checkbox"/> Selling an individual's debt to another party</p> <p>c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP</p> <p>d <input type="checkbox"/> Actions that require a legal or judicial process</p> <p>e <input type="checkbox"/> Other similar actions (describe in Section C)</p> <p>f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted</p>		
<p>19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?</p> <p>If "Yes," check all actions in which the hospital facility or a third party engaged:</p> <p>a <input type="checkbox"/> Reporting to credit agency(ies)</p> <p>b <input type="checkbox"/> Selling an individual's debt to another party</p> <p>c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP</p> <p>d <input type="checkbox"/> Actions that require a legal or judicial process</p> <p>e <input type="checkbox"/> Other similar actions (describe in Section C)</p>		X
<p>20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):</p> <p>a <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)</p> <p>b <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)</p> <p>c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)</p> <p>d <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)</p> <p>e <input type="checkbox"/> Other (describe in Section C)</p> <p>f <input type="checkbox"/> None of these efforts were made</p>		

Policy Relating to Emergency Medical Care

<p>21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?</p> <p>If "No," indicate why:</p> <p>a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions</p> <p>b <input type="checkbox"/> The hospital facility's policy was not in writing</p> <p>c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)</p> <p>d <input type="checkbox"/> Other (describe in Section C)</p>	X	
--	----------	--

Part V Facility Information *(continued)*

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

Name of hospital facility or letter of facility reporting group Huggins Hospital

	Yes	No
22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
b <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
c <input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
d <input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.	23	X
24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.	24	X

Schedule H (Form 990) 2019

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Huggins Hospital:

Part V, Section B, Line 5: In 2019, three hundred forty-three individuals collaborated to implement a comprehensive Community Health Needs Assessment process focused on identifying and defining significant health needs, issues, and concerns of Carroll County and other communities served by Huggins Hospital. Over 40 people participated in focus groups, and 300 additional people participated in the community survey. The three-month process centered on gathering and analyzing data as well as receiving input from persons who represented the broad interests of the community to provide direction for creating a plan to improve the health of the communities. Many of the community's social support service organizations and other healthcare agencies participated. Along with the direct feedback from community members, these organizations provided input through a viewpoint of the clients they represent. Many of the organizations who participated in Huggins Hospital's Community Health Needs Assessment employ people with special knowledge and expertise in public health issues.

Huggins Hospital:

Part V, Section B, Line 11: Huggins Hospital's most recent Community Health Needs Assessment and Implementation Plan was completed in 2019. The Implementation Plan includes strategies to address Access to Care, Mental Health and Addiction Treatment/Prevention, and Social Determinants of Health Improvement. Huggins Hospital, along with its partners in the Huggins Community Health Network - a network of healthcare and social

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

service organizations in southern Carroll County, work together to identify the gaps and barriers that exist to improving the overall health and wellbeing of the community. The group also improves connections, navigation and referral to all resources in the community.

Huggins Hospital is addressing these prioritized needs by focusing efforts in its Population Health Team. This team includes staff from Community Health, Care Coordination, Community Relations, Quality, Integrated Care and Performance Improvement. The team works together to improve Population Health, increase utilization of the Huggins Health Neighborhood for patient navigation through the system, integrate physical and mental health care, and address the gaps in services for the social determinants of health.

Huggins Hospital

Part V, line 16a, FAP website:

www.hugginshospital.org/resources/financial-assistance-and-billing

Huggins Hospital

Part V, line 16b, FAP Application website:

www.hugginshospital.org/resources/financial-assistance-and-billing

Huggins Hospital

Part V, line 16c, FAP Plain Language Summary website:

www.hugginshospital.org/resources/financial-assistance-and-billing/

Part VI Supplemental Information

Provide the following information.

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

Part I, Line 7:

The amounts reported on Lines 7a & 7b were computed using a cost-to-charge ratio.

Part II, Community Building Activities:

Community-building activities include cash, in-kind donations, and budgeted expenditures by the Trust for the development of programs and partnerships intended to address social and economic determinants of health. Huggins Hospital supports the community through numerous programs and resources as well as involvement and direct donations.

Economic Development: Huggins Hospital is one of the New Hampshire Eastern Lakes Region's primary economic drivers as a large regional employer. The hospital provides assurance to year-round and seasonal residents and visitors that 24/7 access to health care is available every day of the year. The economic health and quality of life hinges on the financial strength and the ability of the hospital to provide healthcare in the region. Multiple Leadership Team members sit on local boards and assist

Part VI Supplemental Information (Continuation)

with economic development initiatives with groups such as the Wolfeboro Chamber, the Wolfeboro Economic Development Corporation and the Eastern Lakes Region Housing Coalition. The hospital also supports these agencies with cash and in-kind donations listed in the Community Building Activities section of the hospital's Community Benefits Report.

Community Support: Huggins Hospital works collaboratively with the community to offer high quality, cost-effective care. The hospital maintains relationships with many organizations to promote and create better community health including Granite One Health (affiliation of Huggins Hospital, Catholic Medical Center and Monadnock Community Hospital), Governor Wentworth Regional School District, Starting Point, Carroll County Coalition for Public Health, Central NH VNA & Hospice, Northern Human Services, local summer camps and many more. Huggins Hospital provides direct in-kind and cash donations to organizations who also strive to support a healthy community that you can find listed in the Financial Contributions section of the Community Benefits Report. The hospital also works together with local emergency preparedness groups to train and drill in order to be ready for any situation that may arise in our community. As part of our community support, Huggins Hospital also provides paramedic-level services out in the community through the Paramedic Intercept Program. This program allows for a faster connection to a higher level of care that many rural areas do not have available. These quick connections to this high-level emergency care helps save lives and get people the care they need sooner. This program is counted on the Community Benefits Report under Community-Based Clinical Services.

Coalition Building: Huggins Hospital staff members sit on multiple public

Part VI Supplemental Information (Continuation)

health and regional health network groups to address healthcare concerns in multiple areas including chronic disease, substance misuse, mental health, behavioral health, elderly health, healthy childhood development and more.

Community Health Improvement Advocacy: Huggins Hospital develops its Community Health Needs Assessment through aggressive community outreach and involvement that creates a natural path to health improvement advocacy in our community. This outreach contribution is referenced in the Community Benefits Report in the Community Benefits Operations section. This process includes interviews and surveys involving many stakeholders including residents, government officials, healthcare organizations and local residents. Through this process, we developed an Implementation Plan to continue to advocate for and improve the health of our community.

As mentioned before, employees at Huggins Hospital are involved in many community groups dedicated to the health of our community. Our employees are professionals in health care and are passionate about what they do. Not only do the employees sit on numerous health advocacy committees and boards, they also volunteer at other local healthcare organizations and support community healthcare initiatives. Huggins Hospital offers free health education to the community in the form of physician and professional lectures, news stories and public service announcements. Emergency medical professionals at Huggins Hospital train local EMS for emergency preparedness and strive to improve the quality of emergency care. Huggins Hospital supports other local non-profits that provide needed support outside the hospital's scope-of-care including mental health agencies and agencies for domestic violence support. This support

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

includes allowing local support groups and a domestic violence prevention agency to use Huggins Hospital space to conduct support groups and other services. These groups include Meals on Wheels, Starting Point, and more. The support for these initiatives is represented in multiple categories of the Community Benefits Report.

Workforce Development: As a rural hospital with rural primary care locations, Huggins Hospital needs extra support in finding healthcare providers in the current physician shortage situation happening nationwide. Huggins Hospital uses a support system to help recruit qualified providers to the Eastern Lakes Region community in order to provide the healthcare services the community needs.

Part III, Line 4:

See Pages 12-13 of audited financial statements for footnote disclosure.

During 2020, the Hospital adopted FASB issued ASU No. 2014-09 and ASU No. 2016-08, Revenue from Contracts with Customers (Topic 606) and Revenue from Contracts with Customers: Principal versus Agent Considerations, respectively, and related guidance, which provide guidance for revenue recognition. The standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The most significant change from the adoption of the new standard relates to the estimation for the allowance for doubtful accounts. Under the previous standards, the estimate for amounts not expected to be collected based upon historical experience, were reflected as provision for doubtful

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

accounts, and included within net revenue. Under the new standard, the estimate for amounts not expected to be collected based on historical experience will continue to be recognized as a reduction to net revenue; however, it is not reflected separately as provision for doubtful accounts. Under the new standard, subsequent changes in estimate of collectibility due to a change in the financial status of a payer, for example a bankruptcy, will be recognized as bad debt expense in expenses. The adoption of this ASU in fiscal year 2020, and amounts recognized as bad debt expense and included in other expenses, did not have a material impact on the consolidated financial statements.

As a result of the adoption of the rules described above, the Hospital is recording \$0 of bad debt expense for fiscal year ended September 30, 2020.

Part III, Line 8:

The Organization used a cost-to-charge ratio as its costing methodology to determine the amount of Medicare allowable costs.

Part III, Line 9b:

As a not-for-profit, tax-exempt, and charitable organization, Huggins Hospital serves all in medical need regardless of ability to pay. The Organization is governed by a volunteer Board of Trustees committed to balancing community needs with our available resources to meet those needs. As a hospital-employed medical staff, all twelve physician practices accept patients regardless of ability to pay.

Part VI, Line 2:

Please see Part V, Section B as well as the attached Community Health

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

Needs Assessment and Implementation Plan. The Huggins Hospital Community Health Needs Assessment and Implementation Plan can also be found online at: www.hugginshospital.org/assets/pdf/webCHNAandImplementation2019.pdf

Part VI, Line 3:

Huggins Hospital provides a notice to all patients both in the hospital and its physician practices of the financial assistance programs available to them. There is a staff of financial counselors who work with the uninsured and underinsured to assist in qualifying for Charity Care or a sliding fee schedule depending on the family income. Financial counselors also assist those uninsured in applying for and receiving assistance through the Medicaid program. Information about our financial assistance programs can be found on our website and in print or in person at all of our locations.

Part VI, Line 4:

Huggins Hospital is a non-profit, rural, Critical Access Hospital. Our community's year-round population is approximately 33,000 citizens which expands in the tourist season to about 120,000 residents. Huggins Hospital is the largest employer in Wolfeboro. The primary service area for Huggins Hospital includes: Alton, Brookfield, Effingham, Freedom, Ossipee, Tamworth, Tuftonboro, Wakefield and Wolfeboro. Secondary service areas include parts of Barnstead, Gilford, Moultonborough and New Durham. These towns are located in Carroll, Belknap and Strafford Counties.

Part VI, Line 5:

Huggins Hospital has played an important role in the Eastern Lakes Region of New Hampshire for more than 100 years, enabling unwavering support to

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

patients and their families, community members and employees. Gifts made to the hospital's annual giving program and special initiatives support programs that are important to the region like the Adult Day Program, Diabetes Prevention and Paramedic Program. The Hospital's professional medical staff has a reputation for excellence in primary care, inpatient and outpatient surgery, medical imaging and diagnostics, gynecology, orthopedics, pediatrics, physical therapy, cardiac and occupational rehabilitation, and emergency services.

Part VI, Line 6:

Huggins Hospital is part of Granite One Health, an affiliation with Catholic Medical Center and Monadnock Community Hospital. All three organizations are non-profit, charitable organizations focused on improving the health of their respective communities as well as all the communities served by all of GraniteOne Health organizations. The affiliation is collaborative, allowing the three organizations to maintain their own identities and strategies while offering support to one another to improve on community health initiatives already in place. The affiliation will help each organization remain strong and will help bring more local resources to the communities.

Part VI, Line 7, List of States Receiving Community Benefit Report:

NH

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for the latest information.**

OMB No. 1545-0047

2019

**Open to Public
Inspection**

Name of the organization **Huggins Hospital** Employer identification number **02-0223332**

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? **Yes** **No**
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
Foundation for Healthy Communities 125 Airport Road Concord, NH 03301	02-0275078	501(c)(3)	76,353.	0.	FMV		Support Medicaid Expansion

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 1.

3 Enter total number of other organizations listed in the line 1 table ▶ 0.

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

Schedule I (Form 990) (2019)

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated 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 noncash assistance

Part IV Supplemental Information. Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Part I, Line 2:

Amounts paid to Organizations were required by the State of NH in order to support Medicaid expansion. Therefore, additional monitoring of funds was not deemed to be necessary.

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

2019

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
 ▶ Attach to Form 990.
 ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization: **Huggins Hospital** Employer identification number: **02-0223332**

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 on 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 (such as maid, chauffeur, chef) |

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

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

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

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

4 During the year, did any person listed on 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**
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c**
- 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), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on 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**
- b** Any related organization? **5b**
- If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on 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**
- b** Any related organization? **6b**
- If "Yes" on line 6a or 6b, describe in Part III.

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

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

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

	Yes	No
1b		
2		
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X
9		

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

Schedule J (Form 990) 2019

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

For each individual whose compensation must be reported on 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 aren't listed on Form 990, Part VII.

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Jeremy Roberge President & CEO	(i)	283,070.	41,000.	180.	8,463.	339.	333,052.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) Joseph Pepe, MD Trustee	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	816,646.	0.	50,311.	384,974.	35,831.	1,287,762.	0.
(3) Alex Walker, Esq. Trustee	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	476,101.	0.	61,114.	164,660.	56,463.	758,338.	0.
(4) Joshua Upham VP of Finance	(i)	133,798.	25,000.	144.	3,802.	987.	163,731.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) John S. Boornazian Chief Medical Officer	(i)	229,197.	15,500.	1,188.	9,750.	21,745.	277,380.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) Michael Giovan Surgeon	(i)	349,810.	84,050.	190.	8,400.	28,781.	471,231.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) George Costello Surgeon	(i)	324,671.	0.	1,188.	9,656.	21,993.	357,508.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) William Barton Surgeon	(i)	252,694.	49,681.	615.	11,169.	91.	314,250.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) Eric Lewis Physician	(i)	254,258.	20,291.	1,188.	8,100.	28,349.	312,186.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) Dona Varghese Physician	(i)	251,953.	0.	162.	5,798.	339.	258,252.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

Part I, Line 4b:

Joseph Pepe MD, President/CEO of Catholic Medical Center and Alex Walker Esq., Executive Vice President & Chief Operating Officer of Catholic Medical Center, participate in a supplemental non-qualified retirement plan as described in Internal Revenue Code Section 457(f). During calendar 2019 \$361,904, and \$143,960 was deferred into the plan for Mr. Pepe, and Mr. Walker respectively.

Part I, Line 7:

The incentive payment was paid to Dr. John Boornazian as Medical Director for his oversight of Cardiopulmonary and his role in Senior Leadership.

Bonuses paid to William Barton, George Costello, George Costello, Michael Giovan, Eric Lewis, and Dona Varghese are based on relative value units (RVU's).

The bonuses for Senior Leadership are currently driven off of organizational goals as well as individual goals.

Part III Supplemental Information

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

Part II

Joseph Pepe MD, a Trustee on the Huggins Hospital board, is the President/CEO of Catholic Medical Center, a related organization and is compensated by Catholic Medical Center.

Alex Walker, Esq., a Trustee on the Huggins Hospital board, is the Executive Vice President & Chief Operating Officer of Catholic Medical Center, a related organization and is compensated by Catholic Medical Center.

Supplemental Information on Tax-Exempt Bonds

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**
▶ **Attach to Form 990.** ▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

Name of the organization **Huggins Hospital** Employer identification number **02-0223332**

Part I	Bond Issues	See Part VI for Columns (a) and (f) Continuations											
		(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
								Yes	No	Yes	No	Yes	No
	A	New Hampshire Health & Education Facilities Aut	02-0279866	None	06/30/17	14380488.	Refinance of Series 2009 State		X		X		X
	B	New Hampshire Health & Education Facilities Aut	02-0279866	None	06/30/17	14160667.	Refinance of Series 2007 State		X		X		X
	C												
	D												

Part II	Proceeds								
		A		B		C		D	
1	Amount of bonds retired	1,001,304.		798,885.					
2	Amount of bonds legally defeased								
3	Total proceeds of issue	14,380,488.		14,160,667.					
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	184,943.		117,813.					
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds								
11	Other spent proceeds	14,195,545.		14,042,854.					
12	Other unspent proceeds								
13	Year of substantial completion	2017		2017					
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?		X	X					
15	Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?	X			X				
16	Has the final allocation of proceeds been made?	X		X					
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

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

Part IV Arbitrage								
	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X		X				
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X		X				
b Exception to rebate?		X		X				
c No rebate due?	X		X					
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		X	X					

Part IV Arbitrage (continued)								
	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X				
b Name of provider			Deutsche Bank AG					
c Term of hedge			35.0000000					
d Was the hedge superintegrated?				X				
e Was the hedge terminated?				X				
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X				
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?		X		X				
7 Has the organization established written procedures to monitor the requirements of section 148?	X		X					

Part V Procedures To Undertake Corrective Action								
	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation isn't available under applicable regulations?		X		X				

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K. See instructions

Schedule K, Part I, Bond Issues:

(a) Issuer Name:

New Hampshire Health & Education Facilities Authority Series 2017A

(f) Description of Purpose:

Refinance of Series 2009 State of New Hampshire Bond

(a) Issuer Name:

New Hampshire Health & Education Facilities Authority Series 2017B

(f) Description of Purpose:

Refinance of Series 2007 State of New Hampshire Bond

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization

Huggins Hospital

Employer identification number

02-0223332

Form 990, Part III, Line 2, New Program Services:

During FY 2020, the Hospital fully established its Infusion Services department.

Form 990, Part III, Line 3, Changes in Program Services:

Because of the global pandemic, significant changes were made to operations to ensure the safety of patients and staff. Changes primarily related to the acquisition and application of protective materials to all impacted parties. Senior management stood up an incident command center at the beginning of the pandemic to ensure there was an effective approach in addressing infectious disease. Certain procedures were halted or reduced at the height of the pandemic to ensure patient safety.

Form 990, Part VI, Section B, line 11b:

A designated officer or management official meets with the preparer to discuss a draft of the Form 990 in detail. Once any necessary revisions are made, this draft is then submitted to the Finance & Budget Committee for further review. Afterwards, a copy of the public inspection copy of Form 990 is made available to the full board for their general review and comment prior to filing the return. A designated officer then signs the return after considering board comments.

Form 990, Part VI, Section B, Line 12c:

A copy of the conflict of interest policy is given to every officer, board member, and key employee on an annual basis, along with an annual

Name of the organization Huggins Hospital	Employer identification number 02-0223332
---	---

disclosure statement. Each person is asked to complete, date and sign the disclosure statement, listing any known financial interest that the individual, or a member of the individual's family, has in any business entity that transacts business with the Organization. The Chairman of the board then reviews and maintains the disclosure statements for future reference. If a conflict arises, the board member will recuse themselves from participation in the deliberations and decisions relating to that conflict.

Form 990, Part VI, Section B, Line 15:

The Hospital relies on externally available market data to determine the appropriate salary and any incentive compensation for the President as well as other officers and key employees of the organization. Each year, the President provides the Board with a listing of the five highest paid senior staff. Base salary and incentive compensation provided to the President is determined by three members of the Executive Committee of the Board as part of an annual performance review and their recommendation is shared with the full Board for final approval.

Form 990, Part VI, Section C, Line 19:

The governing documents, conflict of interest policy, and financial statements are made available to the public upon request for inspection in the President's office.

Form 990, Part IX, Line 11g, Other Fees:

Other Professional Fees:

Program service expenses	7,389,247.
Management and general expenses	1,777,841.

Name of the organization Huggins Hospital	Employer identification number 02-0223332
---	---

Fundraising expenses	132,233.
Total expenses	9,299,321.
Total Other Fees on Form 990, Part IX, line 11g, Col A	9,299,321.

Form 990, Part X, Line 10: Land, Buildings, and Equipment

Section 1.263(a)-3(n) Election:

Huggins Hospital
PO Box 912
Wolfeboro, NH 03894
EIN 02-0223332

Section 1.263(a)-3(n) Election:

Huggins Hospital is electing to capitalize repair and maintenance costs under Regulation Section 1.263(a)-3(n).

Form 990, Part XI, line 9, Changes in Net Assets:

Change in Value of Interest Rate Swap	-666,553.
Change in Beneficial interest in Perpetual Trust	-484,613.
Affiliation Costs	-532,478.
Total to Form 990, Part XI, Line 9	-1,683,644.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Name of the organization **Huggins Hospital** Employer identification number **02-0223332**

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
Hospital and Community Aid Association, Inc. - 02-6008048, PO Box 1377, Wolfeboro, NH 03894	Purchases equipment for the benefit of Huggins Hospital and its'	New Hampshire	501(c)(3)	Line 12b, II			X
GraniteOne Health - 81-4663563 100 McGregor Street Manchester, NH 03102	Supporting Organization	New Hampshire	501(c)(3)	Line 12a, I	N/A		X
Alliance Ambulatory Services - 02-0519436 100 McGregor Street Manchester, NH 03102	Ambulatory Surgical Center	New Hampshire	501(c)(3)	Line 10	CMC Healthcare System		X
Alliance Health Services - 61-1508839 100 McGregor Street Manchester, NH 03102	Practices	New Hampshire	501(c)(3)	Line 10	CMC Healthcare System		X

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

Schedule R (Form 990) 2019

See Part VII for Continuations

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
Alliance Resources Incorporated - 02-0398138 100 McGregor Street Manchester, NH 03102	Real Estates	New Hampshire	501(c)(3)	Line 12b, II	CMC Healthcare System		X
Catholic Medical Center - 02-0315693 100 McGregor Street Manchester, NH 03102	Hospital	New Hampshire	501(c)(3)	Line 3	GraniteOne Health		X
CMC Healthcare System - 01-0568516 100 McGregor Street Manchester, NH 03102	Management	New Hampshire	501(c)(3)	Line 12b, II	N/A		X
Catholic Medical Ctr. Physicans Practice Assoc. - 02-0460245, 100 McGregor Street, Manchester, NH 03102	Practices	New Hampshire	501(c)(3)	Line 10	CMC Healthcare System		X
Monadnock Community Hospital - 02-0222157 452 Old Street Road Peterborough, NH 03458	Hospital	New Hampshire	501(c)(3)	Line 3	GraniteOne Health		X
Monadnock Health Services - 02-0420789 452 Old Street Road Peterborough, NH 03102	Inactive	New Hampshire	501(c)(3)	Line 12a, I	Monadnock Community Hospital		X
St. Peters Home - 02-0222228 100 McGregor Street Manchester, NH 03102	Day Care Services	New Hampshire	501(c)(3)	Line 10	CMC Healthcare System		X

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
Bedford Ambulatory Surgical Center - 02-0519727, 11 Washington Place, Bedford, NH 03110	Surgical Center	NH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
McGregor Street MOB LLC - 13-4347316, 100 McGregor Street, Manchester, NH 03110	Medical Office Building	NH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
Huggins Senior Housing - 02-0490445 P.O. Box 912 Wolfeboro, NH 03894	Elderly Housing	NH	N/A	C CORP	892,582.	564,362.	100%	X	
Alliance Enterprises - 02-0386795 100 McGregor Street Manchester, NH 03102	Real Estate	NH	N/A	C CORP	N/A	N/A	N/A		X
Doctor's Medical Association - 02-0340690 100 McGregor Street Manchester, NH 03102	Medical Office Building	NH	N/A	C CORP	N/A	N/A	N/A		X

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

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

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

	Yes	No
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)	X	
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
o Sharing of paid employees with related organization(s)		X
p Reimbursement paid to related organization(s) for expenses	X	
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		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 related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Huggins Senior Housing	D	700,000.	Fair Market Value
(2)			
(3)			
(4)			
(5)			
(6)			

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

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

Table with 11 main columns: (a) Name, address, and EIN of entity; (b) Primary activity; (c) Legal domicile; (d) Predominant income; (e) Are all partners sec. 501(c)(3) orgs.?; (f) Share of total income; (g) Share of end-of-year assets; (h) Disproportionate allocations?; (i) Code V-UBI amount; (j) General or managing partner?; (k) Percentage ownership.

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

Part II, Identification of Related Tax-Exempt Organizations:

Name of Related Organization:

Hospital and Community Aid Association, Inc.

Primary Activity: Purchases equipment for the benefit of Huggins Hospital and its' patients.

Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**
▶ **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions. Huggins Hospital	Taxpayer identification number (TIN) 02-0223332
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. P.O. Box 912	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Wolfeboro, NH 03894	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

Jeremy Roberge

- The books are in the care of ▶ **P.O. Box 912 - Wolfeboro, NH 03894**
Telephone No. ▶ **(603) 569-7510** Fax No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **August 16, 2021**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year _____ or
 ▶ tax year beginning **OCT 1, 2019**, and ending **SEP 30, 2020**.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.


Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.



Huggins Hospital and Subsidiary

CONSOLIDATED FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION

September 30, 2020 and 2019
With Independent Auditor's Report



HUGGINS HOSPITAL AND SUBSIDIARY

Index to Consolidated Financial Statements and Supplementary Information

September 30, 2020 and 2019

	<u>Page(s)</u>
Independent Auditor's Report	1 - 2
Consolidated Balance Sheets	3
Consolidated Statements of Operations	4
Consolidated Statements of Changes in Net Assets	5
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7 - 29
Supplementary Information	
Schedule 1 - Consolidating Balance Sheet	30
Schedule 2 - Consolidating Statement of Operations	31

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Huggins Hospital and Subsidiary

We have audited the accompanying consolidated financial statements of Huggins Hospital and Subsidiary, which comprise the consolidated balance sheets as of September 30, 2020 and 2019, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Huggins Hospital and Subsidiary as of September 30, 2020 and 2019, and the results of their operations, changes in their net assets, and their cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

Board of Trustees
Huggins Hospital and Subsidiary

Other Matters

Changes in Accounting Principles

As discussed in Note 1 to the financial statements, in 2020 the Hospital adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), and related guidance, FASB ASU No. 2016-01, *Financial Instruments - Overall: Recognition and Measurement of Financial Assets and Financial Liabilities*, and FASB ASU No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to these matters.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. Schedules 1 and 2 are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual organizations, and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
January 22, 2021

HUGGINS HOSPITAL AND SUBSIDIARY

Consolidated Balance Sheets

September 30, 2020 and 2019

ASSETS	<u>2020</u>	<u>2019</u>
Current assets		
Cash and cash equivalents	\$ 41,756,553	\$ 10,897,609
Accounts receivable from patients, less allowances for uncollectible accounts and contractals (2020 - \$10,845,000; 2019 - \$8,660,000)	5,987,017	8,802,983
Other accounts and notes receivable	1,006,284	1,500,892
Other current assets	<u>902,726</u>	<u>1,547,798</u>
Total current assets	49,652,580	22,749,282
Assets limited as to use	46,810,022	43,525,942
Property and equipment, net	48,747,482	45,838,997
Long-term investments	12,371,779	12,031,012
Beneficial interest in perpetual trust	5,569,074	6,053,687
Cash surrender value of life insurance	<u>1,248,266</u>	<u>1,248,266</u>
Total assets	<u>\$ 164,399,203</u>	<u>\$131,447,186</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and other current liabilities	\$ 3,266,234	\$ 3,549,385
Accrued salaries and related accounts	4,365,699	2,386,134
Current portion of long-term debt	639,445	618,470
Due to related parties	751,088	1,534,198
Provider relief funds	2,527,230	-
Paycheck Protection Program funds	6,443,200	-
Medicare accelerated payments	12,700,000	-
Current portion of estimated third-party payor settlements	<u>1,062,071</u>	<u>2,700,729</u>
Total current liabilities	31,754,967	10,788,916
Estimated third-party payor settlements, less current portion	24,352,570	21,155,391
Interest rate swap	3,860,137	3,193,584
Long-term debt, excluding current portion	<u>23,955,014</u>	<u>19,514,215</u>
Total liabilities	<u>83,922,688</u>	<u>54,652,106</u>
Net assets		
Without donor restrictions	61,953,011	58,131,841
With donor restrictions	<u>18,523,504</u>	<u>18,663,239</u>
Total net assets	<u>80,476,515</u>	<u>76,795,080</u>
Total liabilities and net assets	<u>\$ 164,399,203</u>	<u>\$131,447,186</u>

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

HUGGINS HOSPITAL AND SUBSIDIARY
Consolidated Statements of Operations
Years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues, gains and other support without donor restrictions		
Patient service revenue (net of discounts and contractual allowances)	\$ 60,187,617	\$ 62,399,259
Less provision for bad debts	<u>-</u>	<u>3,120,778</u>
Net patient service revenue	60,187,617	59,278,481
Other operating revenues	4,406,369	5,411,552
Provider relief funds and other stimulus funds	4,026,500	-
Investment income allotted for operations	564,000	564,000
Net assets released from restrictions for operating purposes	<u>392,575</u>	<u>48,026</u>
Total revenues and gains	<u>69,577,061</u>	<u>65,302,059</u>
Expenses		
Salaries, wages, and fringe benefits	39,043,115	36,548,707
Supplies	6,668,198	6,420,917
Physician fees	3,815,304	3,834,940
Other	10,285,838	10,091,589
Medicaid enhancement tax	2,795,964	2,453,191
Depreciation and amortization	4,735,681	4,753,881
Interest	<u>918,050</u>	<u>984,914</u>
Total expenses	<u>68,262,150</u>	<u>65,088,139</u>
Operating income	<u>1,314,911</u>	<u>213,920</u>
Nonoperating gains (losses)		
Contributions	526,816	263,703
Development costs	(98,628)	(173,627)
Investment gains	3,267,102	3,900,790
Change in value of interest rate swap	(666,553)	(1,354,905)
Affiliation costs	<u>(532,478)</u>	<u>(595,187)</u>
Nonoperating gains, net	<u>2,496,259</u>	<u>2,040,774</u>
Excess of revenues and gains over expenses	3,811,170	2,254,694
Net assets released from restrictions for capital acquisitions	10,000	3,500
Change in net unrealized losses on investments	<u>-</u>	<u>(3,132,760)</u>
Increase (decrease) in net assets without donor restrictions	<u>\$ 3,821,170</u>	<u>\$ (874,566)</u>

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

HUGGINS HOSPITAL AND SUBSIDIARY

Consolidated Statements of Changes in Net Assets

Years Ended September 30, 2020 and 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balances, October 1, 2018	\$ <u>59,006,407</u>	\$ <u>19,350,511</u>	\$ <u>78,356,918</u>
Excess of revenues and gains over expenses	2,254,694	-	2,254,694
Contributions	-	60,093	60,093
Investment income, net of fees	-	224,054	224,054
Net assets released from restrictions for operations	-	(48,026)	(48,026)
Net assets released from restrictions for capital acquisitions	3,500	(3,500)	-
Spending policy allotment	-	(564,000)	(564,000)
Realized gains on sales of investments	-	1,527,796	1,527,796
Net unrealized losses on investments	(3,132,760)	(1,581,931)	(4,714,691)
Change in beneficial interest in perpetual trust	<u>-</u>	<u>(301,758)</u>	<u>(301,758)</u>
Net decrease in net assets	<u>(874,566)</u>	<u>(687,272)</u>	<u>(1,561,838)</u>
Balances, September 30, 2019	<u>58,131,841</u>	<u>18,663,239</u>	<u>76,795,080</u>
Excess of revenues and gains over expenses	3,811,170	-	3,811,170
Contributions	-	406,687	406,687
Investment income, net of fees	-	229,516	229,516
Net assets released from restrictions for operations	-	(392,575)	(392,575)
Net assets released from restrictions for capital acquisitions	10,000	(10,000)	-
Spending policy allotment	-	(564,000)	(564,000)
Realized gains on sales of investments	-	668,465	668,465
Net unrealized gains on investments	-	6,785	6,785
Change in beneficial interest in perpetual trust	<u>-</u>	<u>(484,613)</u>	<u>(484,613)</u>
Net increase (decrease) in net assets	<u>3,821,170</u>	<u>(139,735)</u>	<u>3,681,435</u>
Balances, September 30, 2020	<u>\$ 61,953,011</u>	<u>\$ 18,523,504</u>	<u>\$ 80,476,515</u>

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

HUGGINS HOSPITAL AND SUBSIDIARY
Consolidated Statements of Cash Flows
Years Ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities		
Change in net assets	\$ 3,681,435	\$ (1,561,838)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Change in beneficial interest in perpetual trust	484,613	301,758
Depreciation and amortization	4,815,924	4,834,124
Provision for bad debts	-	3,120,778
Net realized and unrealized (gains) losses on investments	(3,134,471)	41,081
Unrealized loss on interest rate swap	666,553	1,354,905
Decrease (increase) in		
Accounts receivable from patients	2,815,966	(4,487,166)
Other accounts and notes receivable	494,608	1,945,293
Other current assets	645,072	(735,608)
Increase (decrease) in		
Accounts payable and other current liabilities	(283,151)	451,412
Accrued salaries and related accounts	1,979,565	374,378
Due to related parties	(783,110)	1,216,137
Provider relief funds	2,527,230	-
Paycheck Protection Program funds	6,443,200	-
Medicare accelerated payments	12,700,000	-
Estimated third-party payor settlements	<u>1,558,521</u>	<u>809,418</u>
Net cash provided by operating activities	<u>34,611,955</u>	<u>7,664,672</u>
Cash flows from investing activities		
Purchase of property and equipment	(7,644,166)	(4,731,407)
Purchase of investments	(30,977,112)	(40,489,920)
Proceeds from sale of investments	<u>30,486,736</u>	<u>40,059,412</u>
Net cash used by investing activities	<u>(8,134,542)</u>	<u>(5,161,915)</u>
Cash flows from financing activities		
Proceeds from the issuance of long-term debt	5,000,000	-
Payments on long-term debt	<u>(618,469)</u>	<u>(600,064)</u>
Net cash provided (used) by financing activities	<u>4,381,531</u>	<u>(600,064)</u>
Net increase in cash and cash equivalents	30,858,944	1,902,693
Cash and cash equivalents, beginning of year	<u>10,897,609</u>	<u>8,994,916</u>
Cash and cash equivalents, end of year	<u>\$ 41,756,553</u>	<u>\$ 10,897,609</u>
Supplemental disclosure of cash flow information		
Interest paid	<u>\$ 834,094</u>	<u>\$ 854,671</u>

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

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

Organization

Huggins Hospital (the Hospital) is a not-for-profit Critical Access Hospital (CAH) in Wolfeboro, New Hampshire. The Hospital provides inpatient, outpatient, extended care, assisted living, primary care and emergency care services to residents of East-Central New Hampshire. Huggins Senior Housing, Inc. (HSH) is a wholly-owned subsidiary of the Hospital. HSH is the for-profit management company of a retirement community (Sugar Hill Retirement Community (SHRC)) in Wolfeboro, New Hampshire.

In January 2017, the Hospital became affiliated with Catholic Medical Center (CMC) of Manchester, New Hampshire and Monadnock Community Hospital (MCH) of Peterborough, New Hampshire, under a new organization and parent company, GraniteOne Health (GraniteOne). GraniteOne is a non-profit entity and, as a healthcare system, allows the three hospitals to enhance collaboration, strengthen clinical partnerships, and meet the health needs of the communities it serves through high-quality care and a seamless patient experience. The Hospital has two representatives on the thirteen-member Board of Trustees of GraniteOne.

On September 30, 2019, GraniteOne, CMC, CMC Healthcare System (CMCHS), certain subsidiaries of CMCHS, MCH and the Hospital entered into a Combination Agreement (the Agreement) with Dartmouth-Hitchcock Health (D-HH) to combine GraniteOne and D-HH and its members into a more fully integrated healthcare delivery system. Pursuant to the terms of the Agreement, the parties intend to revise D-HH's corporate name to Dartmouth-Hitchcock Health GraniteOne (D-HH GO), which will continue to serve as the sole corporate member of the existing D-HH System Members (Mary Hitchcock Memorial Health and Dartmouth-Hitchcock Clinic, New London Hospital (NLH), Cheshire Medical Center (Cheshire), Mt. Ascutney Hospital and Health Center (MAHHC), Alice Peck Day Memorial Hospital (APD) and Visiting Nurse and Hospice for Vermont and New Hampshire (VNH)), and which will be substituted for GraniteOne as the sole corporate member of MCH and the Hospital and as co-member, of CMC and certain subsidiaries of CMCHS (the Combination). The overarching goal of the Combination is to create a New Hampshire-based, integrated, and regionally distributed health care delivery system that better serves its patients and communities. While CMCHS will not be a component of the D-HH GO System, it will continue to serve as the corporate vehicle through which the Bishop of the Diocese of Manchester (the Bishop) ensures CMC's adherence to the Ethical and Religious Directives for Catholic Health Care Services. Neither CMCHS nor the Bishop will have authority over any other D-HH GO System Member, including MCH and the Hospital. Subject to certain rights reserved to the Bishop and CMCHS with respect to CMC and the CMCHS Subsidiaries, D-HH GO will reserve to itself certain approval and initiation powers over the governance, financial, programmatic, administrative, and strategic decisions of D-HH GO System Members.

On December 30, 2019, GraniteOne, CMC, MCH and the Hospital submitted a Joint Notice of Change of Control to the New Hampshire Attorney General, Director of Charitable Trusts pursuant to New Hampshire RSA 7:19-b beginning the regulatory review and approval process of the Combination. If all necessary approvals are obtained and closing conditions satisfied, D-HH GO will consist of a major academic medical center offering tertiary and quaternary services, an acute care community hospital in an urban setting (CMC), an acute care community hospital in a rural setting (Cheshire), five rural CAH's (NLH, MAHHC, APD, MCH and the Hospital), a post-acute home health and hospice provider (VNH), and nearly 1,800 employed and affiliated primary and specialty care physicians. D-HH GO System Members plan to combine their resources to offer a broader array of inpatient, outpatient and ambulatory services.

HUGGINS HOSPITAL AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2020 and 2019

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements represent the parent and subsidiary activities after the elimination of all material intercompany balances and activity.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic (ASC) 958, *Not-For-Profit Entities*. Under FASB ASC 958 and FASB ASC 954, *Health Care Entities*, all not-for-profit healthcare organizations are required to provide a balance sheet, a statement of operations, a statement of changes in net assets, and a statement of cash flows. FASB ASC 954 requires reporting amounts for an organization's total assets, liabilities, and net assets in a balance sheet; reporting the change in an organization's net assets in statements of operations and changes in net assets; and reporting the change in its cash and cash equivalents in a statement of cash flows, according to the following net asset classification:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Hospital. These net assets may be used at the discretion of the Hospital's management and the Board of Trustees (Board).

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Hospital or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of operations and changes in net assets.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include short-term investments with original maturities of three months or less.

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

Investments

Investments in equity securities with readily determinable fair values, and all investments in debt securities, are recorded at fair value. Investment income from funded depreciation, Board-designated investments, and investments without donor restrictions allotted for operations per the Hospital's spending policy is included in operating revenues. The remaining investment gains and losses are reported as nonoperating investment income.

Realized gains or losses on the sale of investments are determined by use of the average cost method. Investment income (including realized gains and losses on investments, other than temporary losses on debt and, in 2019, equity investments, interest, and dividends) is included in the excess of revenues and gains over expenses unless the income or loss is restricted by donor or law. Unrealized gains and temporary unrealized losses on debt and, in 2019, equity investments are excluded from this measure. In 2020, the Hospital adopted FASB Accounting Standards Update (ASU) No. 2016-01, *Financial Instruments - Overall: Recognition and Measurement of Financial Assets and Financial Liabilities*. As a result, all 2020 investment income related to equity investments is included in the excess of revenues and gains over expenses.

Investments in general are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated balance sheets.

Donor-Restricted Gifts

Unconditional promises to give cash and other assets to the Hospital are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received and the conditions are met. The gifts are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of operations as net assets released from restrictions.

Assets Limited as to Use

Assets limited as to use include designated assets set aside by the Board for future capital improvements and funds held by trustees under the revenue bond agreement. Board-designated funds are controlled by the Board and it may, at its discretion, subsequently use them for other purposes.

Interest Rate Swap

The Hospital uses an interest rate swap contract to eliminate the cash flow exposure of interest rate movements on a portion of its variable-rate debt. The Hospital has adopted FASB ASC 815, *Derivatives and Hedging*, to account for its interest rate swap contract. The interest rate swap contract has not been designated as a cash flow hedge. Unrealized gains and losses on the fair

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

value of derivative financial instruments not designated as cash flow hedges are required to be included in the performance indicator. As a result, the changes in fair value of the interest rate swap for 2020 and 2019 have been included in the excess of revenues and gains over expenses. The Hospital expects to hold the swap until its maturity, at which point unrealized gains or losses will be zero.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method.

Gifts of long-lived assets such as land, buildings, or equipment are reported as support without donor restrictions, and are excluded from the excess of revenues and gains over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Deferred Financing Costs

The costs incurred to obtain long-term financing are being amortized by the straight-line method over the repayment period of the related debt. The costs are included in long-term debt in the balance sheet.

Provider Relief Funds

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provided \$175 billion to eligible healthcare providers to prevent, prepare for and respond to the 2019 Novel Coronavirus Disease (COVID-19) pandemic. The CARES Act provides the U.S. Department of Health and Human Services (HHS) with discretion to operate the program and determine the reporting requirements. The funds have been appropriated to reimburse healthcare providers for COVID related expenses or lost revenues that are attributable to COVID-19. During 2020, the Hospital received \$5,635,786 of HHS Provider Relief Funds (PRF) and attested to the receipt of the PRF and agreement with the associated terms and conditions. For the year ended September 30, 2020, the Hospital has recognized \$3,007,387 of the PRF for lost revenues and COVID-related expenses in other operating revenues in the statements of operations. Management determined the conditions on which the PRF depend were substantially met. The remaining PRF are reported as deferred revenue in the current liabilities section of the consolidated balance sheet at September 30, 2020, as qualified expenditures had not yet been incurred. Management believes the position taken is a reasonable interpretation of the rules currently available. Due to the complexity of the reporting requirements and the continued issuance of clarifying guidance, there is at least a reasonable possibility the amount of income recognized related to lost revenues and COVID-related expenses may change by a material amount. Any difference between amounts previously estimated and amounts subsequently determined to be recoverable or payable will be included in income in the year that such amounts become known.

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

Paycheck Protection Program Funds

During 2020, the Hospital qualified for and received a loan pursuant to the Paycheck Protection Program (PPP), a program implemented by the U.S. Small Business Administration (SBA) under the CARES Act, in the amount of \$6,443,200. The PPP provides funds to pay up to 24 weeks of payroll and other specified costs, and forgiveness of the loan is dependent upon compliance with this and other terms and conditions of the CARES Act. It is the Hospital's intent to apply for forgiveness under the provisions of the CARES Act. Forgiveness is subject to the approval of the lending institution and the SBA. The Hospital has chosen to follow the conditional contribution model for the loan, and has opted to not record any income until forgiveness is received. The full amount received is reported as a current refundable advance in the current liabilities section of the consolidated balance sheet at September 30, 2020.

Medicare Accelerated Payments

In response to COVID-19, the Centers for Medicare & Medicaid Services (CMS) made available an accelerated and advance payment program to Medicare providers. The Hospital received \$12,700,000 in April 2020. Under the program CMS will begin recouping payment from claim payments one year after the advance was made for a period of seventeen months.

Net Patient Service Revenue and Patient Accounts Receivable

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Patient accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to operations and a credit to a valuation allowance based on its assessment of individual accounts and historical adjustments. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to patient accounts receivable.

Charity Care

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

Excess of Revenues and Gains Over Expenses

Changes in net assets without donor restrictions which are excluded from the excess of revenues and gains over expenses, consistent with industry practice, include net unrealized gains and temporary unrealized losses on debt and, in 2019, equity investments and contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

used for the purposes of acquiring such assets). In 2020, the Hospital adopted FASB ASU No. 2016-01. As a result, all 2020 investment income related to equity investments is included in the excess of revenues and gains over expenses.

Employee Fringe Benefits

The Hospital has an "earned time" plan under which each employee earns paid leave for each period worked. These hours of paid leave may be used for vacations, holidays, or illnesses. Hours earned, but not used, are vested with the employee. Employees can vest up to 368 hours. The Hospital accrues a liability for such paid leave as it is earned.

Income Taxes

The Internal Revenue Service currently recognizes the Hospital as an exempt organization under Internal Revenue Code Section 501(c)(3). HSH is a for-profit corporation and, as such, is subject to federal and state taxes. Taxes were not material in 2020 or 2019.

Uncertainty Related to COVID-19 Considerations

In March 2020 the World Health Organization declared COVID-19 a global pandemic. Local, U.S., and world governments encouraged self-isolation to curtail the spread of COVID-19 by mandating the temporary shut-down of business in many sectors and imposing limitations on travel and the size and duration of group gatherings. Most sectors have experienced significant disruption to business operations. Hospitals have played an important role in delivering critical services during the outbreak. The Coronavirus Preparedness and Response Supplemental Appropriates Act, 2020, provides several waivers to allow flexibility to hospitals and providers to deliver critical care. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and additional government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impacts to the Hospital, management believes that a material impact on the Hospital's financial position and results of future operations is reasonably possible.

Newly Adopted Accounting Pronouncements

During 2020, the Hospital adopted FASB issued ASU No. 2014-09 and ASU No. 2016-08, *Revenue from Contracts with Customers* (Topic 606) and *Revenue from Contracts with Customers: Principal versus Agent Considerations*, respectively, and related guidance, which provide guidance for revenue recognition. The standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The most significant change from the adoption of the new standard relates to the estimation for the allowance for doubtful accounts. Under the previous standards, the estimate for amounts not expected to be collected based upon historical experience, were reflected as provision for doubtful accounts, and included within net revenue. Under the new standard, the estimate for amounts not expected to be collected based on historical experience will continue to be recognized as a reduction to net revenue; however, it is not reflected separately as provision for doubtful accounts. Under the new standard, subsequent changes in estimate of collectibility due to a change in the financial status of a payer, for example a bankruptcy, will be recognized as bad

HUGGINS HOSPITAL AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2020 and 2019

debt expense in expenses. The adoption of this ASU in fiscal year 2020, and amounts recognized as bad debt expense and included in other expenses, did not have a material impact on the consolidated financial statements.

In 2020, the Hospital adopted FASB ASU No. 2016-01. The ASU was issued to enhance the reporting model for financial instruments to provide users of the financial statements with more decision-useful information. This ASU changes how entities account for equity investments that do not result in consolidation and are not accounted for under the equity method of accounting. The accompanying financial statements reflect the adoption of this ASU.

During 2020, the Hospital also adopted FASB ASU No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which provides guidance for determining when transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions, and whether a contribution is conditional. The adoption of ASU No. 2018-08 did not impact the Hospital's financial position or changes in net assets.

Subsequent Events

For purposes of the preparation of these financial statements in conformity with U.S. GAAP, the Hospital has considered transactions or events occurring through January 22, 2021, which was the date the financial statements were available to be issued.

2. Net Patient Service Revenue and Net Patient Accounts Receivable

Revenue Recognition

In 2020, the Hospital adopted ASU No. 2014-09, which supersedes accounting standards that previously existed under U.S. GAAP and provides a single revenue model to address revenue recognition to be applied by all companies. Under the new standard, companies recognize revenue when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. ASU No. 2014-09 also requires companies to disclose additional information, including the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Hospital adopted this ASU using the modified retrospective method; therefore, the financial statements and related notes have been presented accordingly. Under the modified retrospective method, the cumulative effect of applying the standard is recognized as of the date of initial application. The impact of adoption to the Hospital's financial statements as a result of adoption of ASU No. 2014-09 related to changes in presentation of the provision for bad debts is described in Note 1.

The adoption of ASU No 2014-09 changed the timing of when the Hospital recognizes uncollectible patient accounts receivable in full upon the recognition of patient service revenue. Previously, these uncollectible patient accounts receivable were recognized through an estimation process that occurred over a period of months. The impact of this change was not material to the financial statements.

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

The impact on the Hospital's financial statement line items from adopting ASU 2014-09 was as follows:

	<u>As Reported</u>	<u>Balance Without ASU Adoption</u>	<u>Effect of Change</u>
Consolidated statement of operations			
Net patient service revenue before provision for doubtful accounts	\$ 60,187,617	\$ 64,725,151	\$ (4,537,534)
Less: Provision for doubtful accounts	<u>-</u>	<u>4,537,534</u>	<u>4,537,534</u>
Net patient service revenue	<u>\$ 60,187,617</u>	<u>\$ 60,187,617</u>	<u>\$ -</u>

Net patient service revenue is reported at the amount that reflects the consideration to which the Hospital expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Hospital bills the patients and third-party payors several days after the services are performed or the patient is discharged. Revenue is recognized as performance obligations are satisfied.

The Hospital has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Hospital's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. However, the Hospital does in certain instances enter into payment agreements with patients that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

Performance obligations are determined based on the nature of the services provided by the Hospital. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Hospital believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in hospitals receiving inpatient acute care services or patients receiving services in outpatient centers or in their homes. The Hospital measures the performance obligation from admission into the hospital or the commencement of an outpatient service to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services.

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

Because all of its performance obligations relate to contracts with a duration of less than one year, the Hospital has elected to apply the optional exemption provided in FASB ASC 606-10-50-14 (a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

The Hospital determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Hospital's policy, and implicit price concessions provided to uninsured patients.

Each performance obligation is separately identifiable from other promises in the customer contract. As the performance obligations are met (i.e., room, board, ancillary services, level of care), revenue is recognized based upon the allocated transaction price. The transaction price is allocated to separate performance obligations based upon the relative standalone selling price. In instances where management determines there are multiple performance obligations across multiple months, the transaction price is allocated by applying an estimated implicit and explicit rate to gross charges based on the separate performance obligations.

In assessing collectibility, the Hospital has elected the portfolio approach. This portfolio approach is being used as the Hospital has a large volume of similar contracts with similar classes of customers. The Hospital reasonably expects that the effect of applying a portfolio approach to a group of contracts would not differ materially from considering each contract separately. Management's judgment to group the contracts by portfolio is based on the payment behavior expected in each portfolio category. As a result, aggregating all of the contracts (which are at the patient level) by the particular payor or group of payors, will result in the recognition of the same amount of revenue as applying the analysis at the individual patient level.

Estimated Third-Party Payor Settlements

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

Medicare

Effective June 1, 2005, the Hospital was granted CAH status. With CAH designation, the Hospital is reimbursed at 101% of allowable costs for its inpatient and outpatient services provided to Medicare patients. The 101% is currently reduced by a federal sequestration of 2%. The Hospital is reimbursed at tentative rates with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's Medicare cost reports have been settled by the Medicare fiscal intermediary through September 30, 2014.

HUGGINS HOSPITAL AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2020 and 2019

Medicaid

Inpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively determined rates per day of hospitalization. The prospectively determined per-diem rates are not subject to retroactive adjustment. Outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. The Hospital is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the fiscal intermediary. The Hospital's Medicaid cost reports have been settled by the fiscal intermediary through September 30, 2013.

Medicaid disproportionate share hospital (DSH) payments provide financial assistance to hospitals that serve a large number of low-income patients. The federal government distributes federal DSH funds to each state based on a statutory formula. The states, in turn, distribute their portion of the DSH funding among qualifying hospitals. The states are to use their federal DSH allotments to help cover costs of hospitals that provide care to low-income patients when those costs are not covered by other payors. The State of New Hampshire's distribution of DSH monies to the hospitals is subject to audit by the CMS. Amounts recorded by the Hospital are therefore subject to change. The disproportionate share payment revenue was estimated to be \$2,656,000 and \$2,774,000 for 2020 and 2019, respectively, and was recorded as an increase in net patient service revenue. Because the methodologies used to determine disproportionate share payments remain unsettled, the Hospital has established partial reserves on the amounts received.

Revenues from the Medicare and Medicaid programs accounted for approximately 44% and 9%, respectively, of the Hospital's patient revenue for the year ended September 30, 2020, and approximately 50% and 10%, respectively, for the year ended September 30, 2019. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Net patient service revenue increased approximately \$2,368,000 and \$2,405,000 in 2019 and 2018, respectively, due to adjustments to settled amounts for which there was uncertainty of interpretation of the applicable regulations.

Anthem Blue Cross

Inpatient and outpatient services rendered to Anthem Blue Cross subscribers are reimbursed at submitted charges less a negotiated discount. The amounts paid to the Hospital are not subject to any retroactive adjustments.

HUGGINS HOSPITAL AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2020 and 2019

Patient service revenue and contractual and other allowances consisted of the following for the years ended September 30:

	<u>2020</u>	<u>2019</u>
Gross patient service revenue	\$121,370,441	\$122,541,010
Less Medicare allowances	28,070,422	29,027,178
Less other payor allowances	32,279,695	29,858,347
Less free care and charity allowances	<u>832,707</u>	<u>1,256,226</u>
Patient service revenue (net of discounts and contractual allowances)	60,187,617	62,399,259
Less provision for bad debts	<u>-</u>	<u>3,120,778</u>
Net patient service revenue	<u>\$ 60,187,617</u>	<u>\$ 59,278,481</u>

Revenue related to self-pay patients was approximately \$2,911,000 and \$2,714,000 for the years ended September 30, 2020 and 2019, respectively.

Long-term estimated third-party payor settlements consist of estimates related to Medicare's potential disallowance of Medicaid enhancement tax as an allowance cost and state disproportionate share pending settlements. Due to unresolved issues at the federal and state levels and pending audits for both matters, the Hospital has classified the balances as long term.

Charity Care

The Hospital maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy, as well as the estimated cost of those services and supplies and equivalent service statistics. The following information measures the level of charity care provided during the years ended September 30:

	<u>2020</u>	<u>2019</u>
Charges forgone, based on established rates	\$ <u>832,707</u>	\$ <u>1,256,226</u>
Estimated costs and expenses incurred to provide charity care	\$ <u>449,000</u>	\$ <u>664,000</u>
Equivalent percentage of charity care charges to all Hospital patient charges	<u>0.66</u> %	<u>1.03</u> %

Costs of providing charity care services have been estimated based on the relationship of charges for these services to total expenses.

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

3. Availability and Liquidity of Financial Assets

As of September 30, 2020 and 2019, the Hospital has working capital of \$17,897,613 and \$11,960,366, respectively, and average days (based on normal expenditures) cash and cash equivalents on hand of 226 and 66, respectively. Deferred PRF have been excluded from these amounts.

The Hospital's debt covenants require the Hospital to maintain financial assets to 100 days of operating expenses. The Hospital budgets to maintain 345 days of operating expenses. As part of the Hospital's liquidity plan, cash in excess of daily requirements is invested in short-term investments.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principle payments on debt, and capital construction costs not financed with debt, were as follows as of September 30:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 39,229,323	\$ 10,897,609
Patient accounts receivable, net	5,987,017	8,802,983
Other accounts and notes receivable	<u>1,006,284</u>	<u>1,500,892</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 46,222,624</u>	<u>\$ 21,201,484</u>

The Hospital has \$46,810,022 and \$43,525,942 at September 20, 2020 and 2019, respectively, that are designated assets set aside by the Board for future capital improvements. These assets limited as to use are not available for general expenditure within the next year; however, the internally designated amounts could be made available, if necessary. Additionally, the Hospital has available a \$5,000,000 line of credit as described in Note 8.

4. Investments

Assets Limited as to Use

The composition of assets limited as to use as of September 30, 2020 and 2019 is set forth in the following table. Investments are stated at fair value.

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 3,054,584	\$ 3,230,179
Mutual funds	29,777,824	25,983,970
Government securities	3,675,129	6,318,782
Corporate notes and bonds	10,302,485	7,386,908
Alternative investments	<u>-</u>	<u>606,103</u>
	<u>\$ 46,810,022</u>	<u>\$ 43,525,942</u>

HUGGINS HOSPITAL AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2020 and 2019

Other Investments

Other investments stated at fair value as of September 30 include:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 423,122	\$ 362,794
Mutual funds	8,082,286	7,164,424
Equity securities	-	284,510
Government securities	15,226	1,956,030
Corporate notes and bonds	3,776,545	1,847,657
Alternative investments	-	340,997
Other investments	<u>74,600</u>	<u>74,600</u>
 Total long-term investments	 12,371,779	 12,031,012
 Beneficial interest in perpetual trust	 <u>5,569,074</u>	 <u>6,053,687</u>
	 <u>\$ 17,940,853</u>	 <u>\$ 18,084,699</u>

Investment income (losses) consist of the following for the years ended September 30:

	<u>2020</u>	<u>2019</u>
Income		
Interest and dividends	\$ 1,700,201	\$ 1,614,371
Net realized gains on sales of securities	1,962,967	4,673,915
Net unrealized gains	<u>1,164,719</u>	<u>-</u>
	<u>\$ 4,827,887</u>	<u>\$ 6,288,286</u>
 Investment income is reported as follows:		
Nonoperating investment income	\$ 3,267,102	\$ 3,900,790
Investment income allotted for operations	564,000	564,000
Included in other operating revenues	98,804	71,646
Restricted investment income	229,516	224,054
Restricted realized gains	<u>668,465</u>	<u>1,527,796</u>
	<u>\$ 4,827,887</u>	<u>\$ 6,288,286</u>
 Other changes in net assets		
Net unrealized (losses) gains		
- without donor restrictions	\$ -	\$ (3,132,760)
- with donor restrictions	<u>6,785</u>	<u>(1,581,931)</u>
	<u>\$ 6,785</u>	<u>\$ (4,714,691)</u>

HUGGINS HOSPITAL AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2020 and 2019

5. Endowment

The Hospital's endowment consists of donor-restricted endowment funds. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Hospital has interpreted the State of New Hampshire Uniform Prudent Management of Institutional Funds Act (UPMIFA) such that the Board is allowed to appropriate for expenditure for the uses and purposes for which the endowment fund is established, unless otherwise specified by the donor, so much of the net appreciation, realized and unrealized, in the fair value of the assets of the endowment fund over the historic dollar value of the fund as is prudent. In so doing, the Board must consider the long- and short-term needs of the Hospital in carrying out its purpose, its present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. Appreciation over the amounts expended is retained in net assets with donor restrictions.

Changes in endowment funds for the years ended September 30, 2020 and 2019 are as follows:

Endowment funds, October 1, 2018	<u>\$ 11,989,038</u>
Interest and dividends, net of fees	224,054
Realized gains on investments	1,527,796
Unrealized losses on investments	<u>(1,581,931)</u>
Total investment gain	169,919
Spending policy allotment	<u>(564,000)</u>
Endowment funds, September 30, 2019	<u>11,594,957</u>
Interest and dividends, net of fees	229,516
Realized gains on investments	668,465
Unrealized gains on investments	<u>6,785</u>
Total investment gain	904,766
Spending policy allotment	<u>(564,000)</u>
Endowment funds, September 30, 2020	<u>\$ 11,935,723</u>

Investment Policy and Strategies Employed for Achieving Investment Objectives

The Hospital's investment strategy is for long-term growth and tolerance for a fair amount of volatility to achieve this growth. The investment time horizon is five years or more. The overall objective is to provide a strategic mix of asset classes that produce the highest expected return while controlling risk. The Hospital's target investment allocation is 55% global equities, 35% fixed income, and 10% alternatives. Investment advisors are prohibited from purchasing hedge fund and private equity investments, without prior approval of the Hospital.

HUGGINS HOSPITAL AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2020 and 2019

Spending Policy

Effective October 1, 2009, each year a calculation is made to determine the maximum amount of money that can be withdrawn from the long-term portfolio to be used for each donor-restricted and Board-designated purpose. The annual amount available for spending is not to exceed 7% of the fair market value calculated on the basis of market values determined at least quarterly and averaged over a period of not less than three years immediately preceding the year in which the appropriation for the expenditure is made. The Board elected to distribute \$564,000 for 2020 and 2019. Investment income, within the spending policy guidelines, is reported in revenues and gains in the accompanying financial statements.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or UPMIFA requires the Hospital to retain as a fund of perpetual duration. The Hospital's spending policy permits spending from funds with deficiencies in accordance with the prudent measures required under UPMIFA. There were no such deficiencies as of September 30, 2020 and 2019.

6. Fair Value Measurements

U.S. GAAP established a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy):

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

HUGGINS HOSPITAL AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2020 and 2019

Assets and liabilities measured at fair value on a recurring basis are summarized below.

	Fair Value Measurements at September 30, 2020			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Assets limited as to use				
Cash and cash equivalents	\$ 3,054,584	\$ 3,054,584	\$ -	\$ -
Mutual funds	29,777,824	29,777,824	-	-
Fixed income				
U.S. Government securities	3,675,129	3,675,129	-	-
Corporate notes and bonds	10,302,485	-	10,302,485	-
Total fixed income	<u>13,977,614</u>	<u>3,675,129</u>	<u>10,302,485</u>	<u>-</u>
	<u>\$ 46,810,022</u>	<u>\$ 36,507,537</u>	<u>\$ 10,302,485</u>	<u>\$ -</u>
Other investments				
Cash and cash equivalents	\$ 423,122	\$ 423,122	\$ -	\$ -
Mutual funds	8,082,286	8,082,286	-	-
Fixed income				
Government securities	15,226	15,226	-	-
Corporate notes and bonds	3,776,545	-	3,776,545	-
Total fixed income	<u>3,791,771</u>	<u>15,226</u>	<u>3,776,545</u>	<u>-</u>
Other investments	<u>74,600</u>	-	-	<u>74,600</u>
Total long-term investments	<u>\$ 12,371,779</u>	<u>\$ 8,520,634</u>	<u>\$ 3,776,545</u>	<u>\$ 74,600</u>
Beneficial interest in perpetual trust	<u>\$ 5,569,074</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,569,074</u>
Liabilities:				
Interest rate swap	<u>\$ 3,860,137</u>	<u>\$ -</u>	<u>\$ 3,860,137</u>	<u>\$ -</u>

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

	Fair Value Measurements at September 30, 2019			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Assets limited as to use				
Cash and cash equivalents	\$ 3,230,179	\$ 3,230,179	\$ -	\$ -
Mutual funds	25,983,970	25,983,970	-	-
Fixed income				
U.S. Government securities	6,318,782	6,318,782	-	-
Corporate notes and bonds	7,386,908	-	7,386,908	-
Total fixed income	13,705,690	6,318,782	7,386,908	-
	42,919,839	\$ 35,532,931	\$ 7,386,908	\$ -
Investments measured at net asset value (NAV)	606,103			
Total assets limited as to use	\$ 43,525,942			
Other investments				
Cash and cash equivalents	\$ 362,794	\$ 362,794	\$ -	\$ -
Mutual funds	7,164,424	7,164,424	-	-
Equity securities	284,510	284,510	-	-
Fixed income				
Government securities	1,956,030	1,956,030	-	-
Corporate notes and bonds	1,847,657	-	1,847,657	-
Total fixed income	3,803,687	1,956,030	1,847,657	-
	11,690,015	\$ 9,767,758	\$ 1,847,657	\$ 74,600
Other investments	74,600	-	-	74,600
Investments measured at NAV	340,997			
Total long-term investments	\$ 12,031,012			
Beneficial interest in perpetual trust	\$ 6,053,687	-	-	\$ 6,053,687
Liabilities:				
Interest rate swap	\$ 3,193,584	-	\$ 3,193,584	-

The fair value of Level 2 assets and liabilities is primarily based on market prices of comparable securities, interest rates, and credit ratings. These techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

As the beneficial interest in perpetual trust is not readily available to the Hospital, the interest is classified as Level 3 and recorded based upon the fair value of the underlying assets.

HUGGINS HOSPITAL AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2020 and 2019

Changes in fair value of assets classified as Level 3 are comprised of the following for the years ended September 30:

	<u>Beneficial Interest</u>
Balance, October 1, 2018	\$ 6,355,445
Change in value	<u>(301,758)</u>
Balance, September 30, 2019	6,053,687
Change in value	<u>(484,613)</u>
Balance, September 30, 2020	<u>\$ 5,569,074</u>

The following table sets forth a summary of the Hospital's investments valued using a reported NAV at September 30, 2019:

<u>Investment</u>	<u>Fair Value Estimated Using NAV Per Share at September 30, 2019</u>	<u>Redemption Frequency</u>	<u>Other Redemption Restrictions</u>	<u>Redemption Notice Period</u>
The Optima Discretionary Macro Fund Ltd Offshore Multi-Manager	\$ <u>947,100</u>	Quarterly	Purchased or redeemed at the NAV on the first business day of each month	Subject to 65 days' prior written notice
	<u>\$ 947,100</u>			

7. Property and Equipment

The major categories of property and equipment are as follows as of September 30:

	<u>2020</u>	<u>2019</u>
Land	\$ 1,828,322	\$ 1,828,322
Land improvements	6,739,979	6,731,373
Buildings	54,452,210	54,452,210
Building services equipment	17,125,035	13,288,422
Major moveable equipment	13,506,593	13,009,470
Construction in progress	<u>7,039,368</u>	<u>3,737,546</u>
	100,691,507	93,047,343
Less accumulated depreciation	<u>51,944,025</u>	<u>47,208,346</u>
	<u>\$ 48,747,482</u>	<u>\$ 45,838,997</u>

HUGGINS HOSPITAL AND SUBSIDIARY
Notes to Consolidated Financial Statements
September 30, 2020 and 2019

During 2018, the Hospital began the installation and implementation of new enterprise resource planning and electronic health record systems. At September 30, 2020, the Hospital had approximately \$2,682,000 of costs in construction in progress related to this project. Total estimated costs for completion are \$3.5 million and this project is expected to be completed in Spring 2021. At September 30, 2020, the Hospital also had approximately \$1,364,000 of costs in construction and progress related to renovation of the Medical Arts Center. Total project cost is anticipated to be approximately \$3 million and this project is expected to be completed during 2021.

8. Borrowings

Long-term debt consists of the following at September 30:

	<u>2020</u>	<u>2019</u>
New Hampshire Health and Education Facilities Authority (NHHEFA) (Huggins Hospital Issue) Series 2017A 2.59% fixed rate direct placement bonds payable in annual installments ranging from \$351,415 in 2021 to \$671,000 in 2046; collateralized by gross revenues and substantially all assets of the Hospital	\$ 13,379,184	\$ 13,721,623
NHHEFA (Huggins Hospital Issue) Series 2017B variable rate (1.34% at September 30, 2020) direct placement bonds payable in annual installments ranging from \$288,030 in 2021 to \$776,358 in 2046; collateralized by gross revenues and substantially all assets of the Hospital	<u>13,361,782</u>	<u>8,637,813</u>
Total long-term debt before unamortized debt issuance costs	26,740,966	22,359,436
Unamortized deferred financing costs	<u>(2,146,507)</u>	<u>(2,226,751)</u>
Total long-term debt	24,594,459	20,132,685
Less current portion	<u>639,445</u>	<u>618,470</u>
Long-term debt, excluding current portion	<u>\$ 23,955,014</u>	<u>\$ 19,514,215</u>

Principal maturities are as follows:

2021	\$ 639,445
2022	659,252
2023	680,380
2024	701,665
2025	725,469
Thereafter	<u>23,334,755</u>
	<u>\$ 26,740,966</u>

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

Under its bond agreements with NHHEFA, the Hospital must meet certain restrictive loan covenants. At September 30, 2020, the Hospital was in compliance with its financial covenants related to the bond agreements.

Interest Rate Swap

In connection with the issuance of the 2007 bonds, the Hospital entered into an interest rate swap agreement. The swap agreement's notional amount was \$8,800,000 and \$8,955,000 at September 30, 2020 and 2019, respectively. The swap terminates on October 1, 2042. The Hospital pays a fixed rate of 3.6175% and receives a variable rate of 68% of USD-LIBOR-BBA. The Hospital records the interest rate swap at fair value, and has recorded a liability of \$3,860,137 and \$3,193,584 as of September 30, 2020 and 2019, respectively.

Line of Credit

The Hospital has a \$5,000,000 line of credit with a bank with a variable interest rate of one-month LIBOR plus 2.1% adjusted monthly (2.26% at September 30, 2020). The line is collateralized by investments and expires March 31, 2021. As of September 30, 2020, there was no outstanding balance on the line. Under the terms of the line of credit agreement, the Hospital must meet certain restrictive covenants. At September 30, 2020, the Hospital was in compliance with its financial covenants related to the agreement.

9. Related Parties

As a member of GraniteOne, the Hospital shares in various services with the other member hospitals and the parent. For the years ended September 30, 2020 and 2019, the Hospital billed CMC \$29,631 and \$43,310, respectively, and was billed \$840,845 and \$1,868,892, respectively, in shared services. The Hospital also was charged a management fee of \$94,310 and \$70,325 which is included in amounts due to related parties at September 30, 2020 and 2019, respectively.

The Hospital owns the land on which SHRC is built and leases it to SHRC. The rental fee increased from \$2,516 per month in 2019 to \$2,561 per month in 2020. SHRC paid HSH management fees of \$107,345 and \$106,725 for the years ended 2020 and 2019, respectively.

10. Commitments and Contingencies

The Hospital carries malpractice insurance coverage under a claims-made policy. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, will be uninsured. The Hospital intends to renew its coverage on a claims-made basis and has no reason to believe that it may be prevented from renewing such coverage. The Hospital is subject to complaints, claims and litigation due to potential claims which arise in the normal course of business. U.S. GAAP requires the Hospital to accrue the ultimate cost of malpractice and other litigative claims when the incident that gives rise to the claim occurs, without consideration of insurance recoveries. Expected recoveries are presented as a separate asset. The Hospital has evaluated its exposure to losses arising from potential claims and has properly accounted for them in the consolidated financial statements as of September 30, 2020 and 2019.

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

During 2020, the Hospital established a self-insured healthcare plan for substantially all of its employees. The Hospital has obtained reinsurance coverage to limit the Hospital's exposure associated with this plan of \$150,000 per individual occurrence. The balance sheets include an accrual in accrued expenses for management's estimate of claims incurred, but not reported of approximately \$434,800 as of September 30, 2020.

The Hospital leases various equipment and facilities under operating leases expiring at various dates through December 2025. Total rental expense in 2020 and 2019 for all operating leases was approximately \$191,000 and \$260,000, respectively.

The following is a schedule by year of future minimum lease payments under operating leases as of September 30, 2020 that have initial or remaining lease terms in excess of one year.

<u>Year Ending September 30</u>	<u>Amount</u>
2021	\$ 391,000
2022	223,000
2023	196,000
2024	192,000
2025	188,000
Thereafter	<u>119,000</u>
	<u>\$ 1,309,000</u>

11. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes or periods:

	<u>2020</u>	<u>2019</u>
Funds subject to use or time restriction:		
Capital acquisitions	\$ 997,605	\$ 992,704
Adult daycare	13,708	8,708
Health education	-	420
Indigent care	7,394	12,763
Net appreciation of funds of perpetual duration:		
Healthcare services	7,714,632	7,426,848
Indigent care	<u>711,079</u>	<u>658,097</u>
	<u>9,444,418</u>	<u>9,099,540</u>
Funds of perpetual duration:		
Endowment funds	3,510,012	3,510,012
Beneficial interest in perpetual trust	<u>5,569,074</u>	<u>6,053,687</u>
	<u>9,079,086</u>	<u>9,563,699</u>
	<u>\$ 18,523,504</u>	<u>\$ 18,663,239</u>

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

The Hospital is an income beneficiary of a perpetual trust controlled by an unrelated third-party trustee. The beneficial interest in the assets of the trust is included in the Hospital's consolidated financial statements as net assets with donor restrictions. Income is distributed in accordance with the trust documents and is included in investment return. Trust income distributed to the Hospital for the years ended September 30, 2020 and 2019 was \$248,006 and \$256,825, respectively, and has no donor restrictions.

12. Retirement Plans

Beginning July 2005, the Hospital sponsors a contributory defined contribution plan available to substantially all employees. The Hospital's policy under the defined contribution plan is to fund its portion of amounts due under the plan on a current basis and to recognize expense as incurred. Expense related to this plan for the years ended September 30, 2020 and 2019 approximated \$838,300 and \$799,900, respectively.

13. Concentrations of Credit Risk

The Hospital has cash balances in financial institutions that exceed federal depository insurance limits. However, management believes that credit risk related to these investments is minimal. The Hospital has not experienced any losses in such accounts.

The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors was as follows as of September 30:

	<u>2020</u>	<u>2019</u>
Medicare	31 %	38 %
Medicaid	8	7
Anthem Blue Cross	11	12
Other third-party payors	25	26
Patients	<u>25</u>	<u>17</u>
	<u>100 %</u>	<u>100 %</u>

HUGGINS HOSPITAL AND SUBSIDIARY

Notes to Consolidated Financial Statements

September 30, 2020 and 2019

14. Functional Expenses

The statements of operations report certain expense categories that are attributable to both healthcare services and support functions. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Fringe benefits are allocated based on salaries and wages, and depreciation, interest, utilities, and equipment are allocated based on square footage and location. Expenses related to providing healthcare and support services are as follows:

<u>2020</u>	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, wages, and fringe benefits	\$ 27,683,193	\$ 11,276,566	\$ 83,356	\$ 39,043,115
Supplies	4,316,269	2,015,576	9,622	6,341,467
Physician fees	3,815,304	-	-	3,815,304
Medicaid enhancement tax	2,795,964	-	-	2,795,964
Depreciation and amortization	1,474,223	3,261,458	-	4,735,681
Interest	532,469	385,581	-	918,050
Contracted services	4,130,874	2,186,148	3,145	6,320,167
Other professional services	1,402,871	-	30,460	1,433,331
Utilities	918,930	375,337	-	1,294,267
Insurance	182,067	189,499	-	371,566
Other	<u>56,470</u>	<u>1,136,768</u>	<u>-</u>	<u>1,193,238</u>
	<u>\$ 47,308,634</u>	<u>\$ 20,826,933</u>	<u>\$ 126,583</u>	<u>\$ 68,262,150</u>
<u>2019</u>	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries, wages, and fringe benefits	\$ 26,431,136	\$ 9,980,397	\$ 137,174	\$ 36,548,707
Supplies	5,383,356	1,037,561	-	6,420,917
Physician fees	3,834,940	-	-	3,834,940
Medicaid enhancement tax	2,453,191	-	-	2,453,191
Depreciation and amortization	2,757,252	1,996,629	-	4,753,881
Interest	571,250	413,664	-	984,914
Contracted services	1,199,259	900,196	83,806	2,183,261
Other professional services	3,127,510	-	-	3,127,510
Utilities	1,098,703	795,613	-	1,894,316
Insurance	390,427	417,622	-	808,049
Minor equipment costs	480,977	348,294	-	829,271
Other	<u>636,432</u>	<u>611,230</u>	<u>1,520</u>	<u>1,249,182</u>
	<u>\$ 48,364,433</u>	<u>\$ 16,501,206</u>	<u>\$ 222,500</u>	<u>\$ 65,088,139</u>

SUPPLEMENTARY INFORMATION

HUGGINS HOSPITAL AND SUBSIDIARY

Consolidating Balance Sheet

September 30, 2020

ASSETS

	Huggins Hospital	Huggins Senior Housing	Eliminations	Consolidated
Current assets				
Cash and cash equivalents	\$ 41,432,379	\$ 324,174	\$ -	\$ 41,756,553
Accounts receivable from patients, net	5,987,017	-	-	5,987,017
Due from related party	700,000	-	(700,000)	-
Other accounts and notes receivable	1,006,284	-	-	1,006,284
Other current assets	<u>897,485</u>	<u>5,241</u>	<u>-</u>	<u>902,726</u>
Total current assets	50,023,165	329,415	(700,000)	49,652,580
Assets limited as to use	46,810,022	-	-	46,810,022
Property and equipment, net	48,512,535	234,947	-	48,747,482
Long-term investments	12,371,779	-	-	12,371,779
Beneficial interest in perpetual trust	5,569,074	-	-	5,569,074
Cash surrender value of life insurance	<u>1,248,266</u>	<u>-</u>	<u>-</u>	<u>1,248,266</u>
Total assets	<u>\$ 164,534,841</u>	<u>\$ 564,362</u>	<u>\$ (700,000)</u>	<u>\$ 164,399,203</u>

LIABILITIES AND NET ASSETS (DEFICIT)

Current liabilities				
Accounts payable and other current liabilities	\$ 3,253,694	\$ 12,540	\$ -	\$ 3,266,234
Accrued salaries and related accounts	4,365,699	-	-	4,365,699
Current portion of long-term debt	639,445	-	-	639,445
Due to related parties	751,088	-	-	751,088
Provider relief funds	2,527,230	-	-	2,527,230
Paycheck Protection Program funds	6,443,200	-	-	6,443,200
Medicare accelerated payments	12,700,000	-	-	12,700,000
Current portion of estimated third-party payor settlements	<u>1,062,071</u>	<u>-</u>	<u>-</u>	<u>1,062,071</u>
Total current liabilities	31,742,427	12,540	-	31,754,967
Estimated third-party payor settlements	24,352,570	-	-	24,352,570
Interest rate swap	3,860,137	-	-	3,860,137
Long-term debt, excluding current portion	23,955,014	-	-	23,955,014
Due to subsidiary	<u>-</u>	<u>700,000</u>	<u>(700,000)</u>	<u>-</u>
Total liabilities	<u>83,910,148</u>	<u>712,540</u>	<u>(700,000)</u>	<u>83,922,688</u>
Net assets (deficit)				
Without donor restrictions	62,101,189	(148,178)	-	61,953,011
With donor restrictions	<u>18,523,504</u>	<u>-</u>	<u>-</u>	<u>18,523,504</u>
Total net assets (deficit)	<u>80,624,693</u>	<u>(148,178)</u>	<u>-</u>	<u>80,476,515</u>
Total liabilities and net assets (deficit)	<u>\$ 164,534,841</u>	<u>\$ 564,362</u>	<u>\$ (700,000)</u>	<u>\$ 164,399,203</u>

HUGGINS HOSPITAL AND SUBSIDIARY

Consolidating Statement of Operations

Year Ended September 30, 2020

	Huggins Hospital	Huggins Senior Housing	Eliminations	Consolidated
Revenues, gains, and other support without donor restrictions				
Net patient service revenue (net of discounts and contractual allowances)	\$ 60,187,617	\$ -	\$ -	\$ 60,187,617
Other operating revenues	4,238,087	168,282	-	4,406,369
Provider relief funds and other stimulus funds	4,026,500	-	-	4,026,500
Investment income allotted for operations	564,000	-	-	564,000
Net assets released from restrictions for operating purposes	392,575	-	-	392,575
Total revenues and gains	<u>69,408,779</u>	<u>168,282</u>	<u>-</u>	<u>69,577,061</u>
Expenses				
Salaries, wages and fringe benefits	39,043,115	-	-	39,043,115
Supplies	6,668,198	-	-	6,668,198
Physician fees	3,815,304	-	-	3,815,304
Other	10,121,737	164,101	-	10,285,838
Medicaid enhancement tax	2,795,964	-	-	2,795,964
Depreciation and amortization	4,713,929	21,752	-	4,735,681
Interest	918,050	-	-	918,050
Total expenses	<u>68,076,297</u>	<u>185,853</u>	<u>-</u>	<u>68,262,150</u>
Operating income (loss)	<u>1,332,482</u>	<u>(17,571)</u>	<u>-</u>	<u>1,314,911</u>
Nonoperating gains (losses)				
Contributions	526,816	-	-	526,816
Development costs	(98,628)	-	-	(98,628)
Investment gains	3,267,102	-	-	3,267,102
Change in value of interest rate swap	(666,553)	-	-	(666,553)
Affiliation costs	(532,478)	-	-	(532,478)
Nonoperating gains, net	<u>2,496,259</u>	<u>-</u>	<u>-</u>	<u>2,496,259</u>
Excess (deficiency) of revenues and gains over expenses	3,828,741	(17,571)	-	3,811,170
Net assets released from restrictions for capital acquisitions	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Increase (decrease) in net assets without donor restrictions	<u>\$ 3,838,741</u>	<u>\$ (17,571)</u>	<u>\$ -</u>	<u>\$ 3,821,170</u>