Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No. 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning , 2010, and ending , 20

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

C Name of organization: UPPER CHESAPEAKE MEDICAL CENTER

Doing Business As:

Number and street (or P.O. box if mail is not delivered to street address): 500 UPPER CHESAPEAKE DRIVE

Room/suite:

City or town, state or country, and ZIP + 4: BEL AIR, MD 21014

D Employer identification number: 52-1253920

E Telephone number: (410) 877-3700

G Gross receipts $ 248,893,511.

F Name and address of principal officer: LYLE E SHELDON
520 UPPER CHESAPEAKE DR, STE 405, BEL AIR, MD 21014

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

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

J Website: ▶ WWW.UCHS.ORG

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1997 **M** State of legal domicile: MD

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: ACUTE HOSPITAL CARE

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

3	Number of voting members of the governing body (Part VI, line 1a)	3	15.
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	11.
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	2,125.
6	Total number of volunteers (estimate if necessary)	6	702.
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

Revenue

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	472,192.	27,538,437.
9	Program service revenue (Part VIII, line 2g)	200,218,598.	201,719,717.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	315,000.	102,580.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	10,629.	169,420.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	201,016,419.	229,530,154.

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	82,083.	11,364,025.
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)	87,534,205.	89,163,616.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	99,663,766.	101,925,468.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	187,280,054.	202,453,109.
19	Revenue less expenses. Subtract line 18 from line 12	13,736,365.	27,077,045.

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	277,103,492.	300,806,783.
21	Total liabilities (Part X, line 26)	207,411,891.	213,904,536.
22	Net assets or fund balances. Subtract line 21 from line 20	69,691,601.	86,902,247.

Part II Signature Block

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

Sign Here

▶ Signature of officer — Date

▶ Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶ ☐	PTIN
				P00288383

Firm's name ▶ GRANT THORNTON LLP — Firm's EIN ▶ 36-6055558

Firm's address ▶ 2001 MARKET STREET, SUITE 3100 PHILADELPHIA, PA 19103 — Phone no. 215-561-4200

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

For Paperwork Reduction Act Notice, see the separate instructions. Form **990** (2010)

JSA
0E1010 1.000

Part III **Statement of Program Service Accomplishments**
Check if Schedule O contains a response to any question in this Part III X

1 Briefly describe the organization's mission:
ACUTE HOSPITAL CARE

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 150,641,848. including grants of $ 11,364,025.) (Revenue $ 201,719,717.)
SEE SCHEDULE O

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

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

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

4e Total program service expenses ▶ 150,641,848.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	X	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		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? *If "Yes," complete Schedule J*	23	X	
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25*	24a	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		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?	24c		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		X
25 a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		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? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		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? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35		X
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* ☐ Yes ☒ No			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		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? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O.	38	X	

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

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	7		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	2,125		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file*. (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a			X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country: ▶ _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?	13a			
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	15		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	11		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .	3			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Does the organization have members or stockholders?	6		X	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a			X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b			X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9			X

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ MD,

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

☐ Own website ☐ Another's website ☒ Upon request

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ JOSEPH E. HOFFMAN, III 520 UPPER CHESAPEAKE DRIVE, BEL AIR, MD 21014 443-643-3340

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

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

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.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) H WILLIAM ACKER TREASURER/DIRECTOR	5.00	X		X				0.	0.	0.
(2) STEVEN M BENTMAN, MD DIRECTOR	1.00	X						20,833.	0.	0.
(3) JOHN H CAIN DIRECTOR	1.00	X						0.	0.	0.
(4) DIANE K FORD DIRECTOR	1.00	X						0.	0.	0.
(5) ROBERT F HOOFNAGLE, JR, MD DIRECTOR	1.00	X						58,600.	0.	0.
(6) M SCOT KAUFMAN SECRETARY/DIRECTOR	5.00	X		X				0.	0.	0.
(7) ANDREW KLEIN DIRECTOR	1.00	X						0.	0.	0.
(8) JAMES LAMBDIN DIRECTOR	1.00	X						0.	0.	0.
(9) ANTHONY J MEOLI DIRECTOR	1.00	X						0.	0.	0.
(10) ROGER E SCHNEIDER MD CHAIRMAN/DIRECTOR	5.00	X		X				0.	0.	0.
(11) LYLE E SHELDON PRESIDENT & CEO/DIRECTOR	5.00	X		X				0.	755,430.	196,177.
(12) RICHARD P STREETT JR VMD DIRECTOR	1.00	X						0.	0.	0.
(13) ADELE A WILZACK, RN, MS DIRECTOR	1.00	X						0.	0.	0.
(14) ALBERT J A YOUNG DIRECTOR	1.00	X						0.	0.	0.
(15) FAHEEM YOUNUS, MD DIRECTOR	1.00	X						175,882.	0.	0.
(16) JOYCE FOX VP - PATIENT SVCS/CNO	20.00				X			0.	202,582.	41,437.

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17) JOSEPH E HOFFMAN III SR VP/CFO	5.00				X			0.	363,940.	107,678.
(18) KENNETH D KOZEL SR VP/COO	5.00				X			0.	378,133.	99,448.
(19) DEAN C KASTER SR VP - CORP STRATEGY/PLANNING	5.00				X			0.	260,785.	74,808.
(20) MARGARET M VAUGHAN SR VP - CHIEF MEDICAL OFFICER	5.00				X			0.	368,719.	107,480.
(21) E SCOTT CONOVER SR VP/GENERAL COUNSEL	5.00				X			0.	330,806.	49,761.
(22) TONI M SHIVERY VP - HUMAN RESOURCES	5.00				X			0.	196,127.	56,071.
(23) ROY PHILLIPS PHYSICIAN/HOSPITALIST	40.00					X		190,373.	0.	39,369.
(24) ANGELA M KAITIS DIR - PHARMACEUTICAL SERVICES	40.00					X		127,596.	0.	43,262.
(25) PAMELA C MCLAUGHLIN PHARMACIST	40.00					X		128,079.	0.	41,581.
(26) PATRICIA ERCOLANO VP - PERFORMANCE IMPROVEMENT	40.00					X		136,697.	0.	30,380.
(27) JEFFREY M GORSCHBOTH PHARMACIST	40.00					X		138,568.	0.	24,675.
(28)										
1b Sub-total ▶								976,628.	2,856,522.	912,127.
c Total from continuation sheets to Part VII, Section A ▶										
d Total (add lines 1b and 1c) ▶								976,628.	2,856,522.	912,127.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 6

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		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? *If "Yes," complete Schedule J for such individual*	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? *If "Yes," complete Schedule J for such person*	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.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 1		

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 18

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d	27,538,437.			
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f: $					
	h **Total.** Add lines 1a-1f		27,538,437.			
Program Service Revenue		**Business Code**				
	2a NET PATIENT SERVICE REVENUE	621110	201,644,807.	201,644,807.		
	b SPINE CENTER/ENDOCRINOLOGY	621110	74,910.	74,910.		
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a-2f		201,719,717.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		97,230.			97,230.
	4 Income from investment of tax-exempt bond proceeds		0.			
	5 Royalties		0.			
		(i) Real	(ii) Personal			
	6a Gross Rents	1,641,328.				
	b Less: rental expenses	2,998,250.				
	c Rental income or (loss)	-1,356,922.				
	d Net rental income or (loss)		-1,356,922.			-1,356,922.
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory	16,370,457.				
	b Less: cost or other basis and sales expenses	16,365,107.				
	c Gain or (loss)	5,350.				
	d Net gain or (loss)		5,350.			5,350.
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18 a					
	b Less: direct expenses b					
	c Net income or (loss) from fundraising events		0.			
	9a Gross income from gaming activities. See Part IV, line 19 a					
	b Less: direct expenses b					
	c Net income or (loss) from gaming activities		0.			
	10a Gross sales of inventory, less returns and allowances a					
	b Less: cost of goods sold b					
	c Net income or (loss) from sales of inventory		0.			
	Miscellaneous Revenue	**Business Code**				
	11a CAFETERIA SALES	900099	969,170.			969,170.
	b VENDING MACHINES/PURCHASE DISCOUNTS	900099	39,062.			39,062.
	c MISCELLANEOUS	900099	518,110.			518,110.
	d All other revenue					
	e **Total.** Add lines 11a-11d		1,526,342.			
	12 **Total revenue.** See instructions		229,530,154.	201,719,717.	0.	272,000.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	11,364,025.	11,364,025.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	0.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	72,564,189.	54,462,024.	18,102,165.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,489,693.	2,619,140.	870,553.	
9 Other employee benefits	7,026,079.	5,273,324.	1,752,755.	
10 Payroll taxes	6,083,655.	4,566,001.	1,517,654.	
11 Fees for services (non-employees):				
a Management	0.			
b Legal	0.			
c Accounting	0.			
d Lobbying	0.			
e Professional fundraising services. See Part IV, line 17	0.			
f Investment management fees	0.			
g Other	6,113,178.	3,770,318.	2,342,860.	
12 Advertising and promotion	781,274.	1,141.	780,133.	
13 Office expenses	44,053,383.	39,938,376.	4,115,007.	
14 Information technology	0.			
15 Royalties	0.			
16 Occupancy	2,656,149.		2,656,149.	
17 Travel	21,701.	8,965.	12,736.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	71,728.		71,728.	
20 Interest	3,189,861.	2,090,797.	1,099,064.	
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	8,307,911.	6,088,913.	2,218,998.	
23 Insurance	2,675,363.	2,007,956.	667,407.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a PROVISION FOR BAD DEBT	12,766,823.	12,766,823.		
b MANAGEMENT FEES - UCHS	6,236,065.		6,236,065.	
c PURCHASED SERVICES	3,679,334.	2,020,260.	1,659,074.	
d MAINTENANCE CONTRACT	2,844,603.	1,134,504.	1,710,099.	
e CONTRACT MANAGEMENT	1,255,061.		1,255,061.	
f All other expenses	7,273,034.	2,529,281.	4,743,753.	
25 **Total functional expenses.** Add lines 1 through 24f	202,453,109.	150,641,848.	51,811,261.	0.
26 **Joint Costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		16,217,044.	1	20,493,286.
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		20,341,417.	4	21,238,343.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		4,434,393.	8	4,325,056.
	9	Prepaid expenses and deferred charges		615,565.	9	444,953.
	10 a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 214,279,791.			
	b	Less: accumulated depreciation	10b 67,840,368.	149,848,900.	10c	146,439,423.
	11	Investments - publicly traded securities		38,948,645.	11	53,944,023.
	12	Investments - other securities. See Part IV, line 11			12	
	13	Investments - program-related. See Part IV, line 11			13	
	14	Intangible assets		702,993.	14	543,168.
	15	Other assets. See Part IV, line 11		45,994,535.	15	53,378,531.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		277,103,492.	16	300,806,783.
Liabilities	17	Accounts payable and accrued expenses		18,195,610.	17	21,364,795.
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		149,343,332.	20	147,235,698.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities. Complete Part X of Schedule D		39,872,949.	25	45,304,043.
	26	**Total liabilities.** Add lines 17 through 25		207,411,891.	26	213,904,536.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		69,691,601.	27	86,902,247.
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		69,691,601.	33	86,902,247.
	34	Total liabilities and net assets/fund balances		277,103,492.	34	300,806,783.

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	229,530,154.
2	Total expenses (must equal Part IX, column (A), line 25)	2	202,453,109.
3	Revenue less expenses. Subtract line 2 from line 1	3	27,077,045.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	69,691,601.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-9,866,399.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	86,902,247.

Part XII Financial Statements and Reporting

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

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

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.** ▶ **See separate instructions.**

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization	**Employer identification number**
UPPER CHESAPEAKE MEDICAL CENTER	52-1253920

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

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

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

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

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

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

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

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

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

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

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

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

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

a [ ] Type I **b** [ ] Type II **c** [ ] Type III - Functionally integrated **d** [ ] Type III - Other

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

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

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

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

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

(i) Name of supported organization	**(ii)** EIN	**(iii)** Type of organization (described on lines 1-9 above or IRC section **(see instructions)**)	**(iv)** Is the organization in col. (i) listed in your governing document?		**(v)** Did you notify the organization in col. (i) of your support?		**(vi)** Is the organization in col. **(i)** organized in the U.S.?		**(vii)** Amount of support
			Yes	**No**	**Yes**	**No**	**Yes**	**No**	
(A)									
(B)									
(C)									
(D)									
(E)									
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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) . . . . . 14 %

15 Public support percentage from 2009 Schedule A, Part II, line 14 . . . . . 15 %

16a **33 1/3 % support test - 2010.** If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . . . ▶ ☐

b **33 1/3 % support test - 2009.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . . . ▶ ☐

17a **10%-facts-and-circumstances test - 2010.** If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . ▶ ☐

b **10%-facts-and-circumstances test - 2009.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organzation meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . ▶ ☐

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10 a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15	Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2010** (line 10c, column (f) divided by line 13, column (f))	17	%
18	Investment income percentage from **2009** Schedule A, Part III, line 17	18	%

19 a **33 1/3 % support tests - 2010.** 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 - 2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and **stop here**. The organization qualifies as a publicly supported organization ▶ ☐

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

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

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, 990-EZ, or 990-PF.**

OMB No. 1545-0047

2010

Name of the organization
UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number
52-1253920

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	[X] 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, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

[X] For a section 501(c)(3) organization 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), and received from any one contributor, during the year, a contribution 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 a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to 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. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year . . . . . ▶ $ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not 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 line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization UPPER CHESAPEAKE MEDICAL CENTER | **Employer identification number** 52-1253920

Part I **Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	UPPER CHESAPEAKE HEALTH FOUNDATION, INC. 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	$ 337,396.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
2	UPPER CHESAPEAKE/ST. JOE'S HOME CARE 8003 CORPORATE DRIVE BALTIMORE, MD 21236	$ 437,195.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
3	UCHS/UMMS VENTURE LLC 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	$ 26,750,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ Complete if the organization is described below.

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

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2010

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

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

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

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

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

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

Name of organization	Employer identification number
UPPER CHESAPEAKE MEDICAL CENTER	52-1253920

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 on behalf of or in opposition to candidates for public office in Part IV.

2 Political expenditures . . . . . ▶ $ _____

3 Volunteer hours . . . . . _____

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

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

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

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

4a Was a correction made? . . . . . ☐ Yes ☐ No

b If "Yes," describe in Part IV.

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

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

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

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

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

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which 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-.
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

A Check ▶ ☐ if the filing organization belongs to an affiliated group.
B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply.

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	**(a)** 2007	**(b)** 2008	**(c)** 2009	**(d)** 2010	**(e)** Total
2 a 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)).

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?		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? If "Yes," describe in Part IV	X		22,855.
j	Total. Add lines 1c through 1i			22,855.
2 a	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?		X	

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 carryover lobbying and political expenditures from the prior year?	3		

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

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

LOBBYING ACTIVITIES

SCHEDULE C, PART II-B, LINE 1I

LOBBYING EXPENSES IN THE AMOUNT OF $22,855 FOR 12/31/10 REPRESENT A PORTION OF THE DUES PAID TO AMERICAN HOSPITAL ASSOCIATION AND MARYLAND HOSPITAL ASSOCIATION. THESE ASSOCIATIONS ALLOCATE A PORTION OF MEMBER DUES TO LOBBYING ACTIVITY.

Part IV **Supplemental Information** *(continued)*

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number

52-1253920

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

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

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

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

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

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

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

2 Complete lines 2a 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 8/17/06, and not on a historic structure listed in the National Register	2d	

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

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

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

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

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

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

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

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

1a If the organization elected, as permitted under SFAS 116 (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 XIV, the text of the footnote to its financial statements that describes these items.

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

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

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

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

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

b Assets included in Form 990, Part X ▶ $

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- a Board designated or quasi-endowment ▶ _____ %
- b Permanent endowment ▶ _____ %
- c Term endowment ▶ _____ %

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		6,947,918.		6,947,918.
b Buildings		136,525,710.	26,712,651.	109,813,059.
c Leasehold improvements		2,087,721.	503,740.	1,583,981.
d Equipment		43,640,451.	30,684,691.	12,955,760.
e Other		25,077,991.	9,939,286.	15,138,705.
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				146,439,423.

Part VII Investments - Other Securities. 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)		
(I)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 12.)* ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 13.)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) OTHER ACCTS RECEIVABLE	272,451.
(2) DEFERRED FINANCING COSTS	582,251.
(3) DUE FROM AFFILIATES	44,463,263.
(4) FUNDS HELD BY TRUSTEE	7,332,566.
(5) SYSTEM UPGRADE ASSET	728,000.
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶	53,378,531.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) ADVANCES FROM THIRD PARTIES	4,405,406.
(3) DUE TO AFFILIATES	1,071,418.
(4) ACCRUED PENSION LIABILITY	3,413,000.
(5) BOND INTEREST RATE SWAP	36,414,219.
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶	45,304,043.

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	229,530,154.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	202,453,109.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	27,077,045.
4	Net unrealized gains (losses) on investments	4	-55,212.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	-9,811,093.
9	Total adjustments (net). Add lines 4 through 8	9	-9,866,305.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	17,210,740.

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

1	Total revenue, gains, and other support per audited financial statements			1	222,662,099.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	-55,212.		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	2d	-9,811,093.		
e	Add lines **2a** through **2d**			2e	-9,866,305.
3	Subtract line **2e** from line **1**			3	232,528,404.
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b	-2,998,250.		
c	Add lines **4a** and **4b**			4c	-2,998,250.
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	229,530,154.

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

1	Total expenses and losses per audited financial statements			1	205,451,359.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV.)	2d	2,998,250.		
e	Add lines **2a** through **2d**			2e	2,998,250.
3	Subtract line **2e** from line **1**			3	202,453,109.
4	Amounts included on Form 990, Part IX, line 25, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5	202,453,109.

Part XIV Supplemental Information

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

SEE PAGE 5

Part XIV Supplemental Information *(continued)*

INCOME TAXES (FIN 48)

PART X, QUESTION 2

UPPER CHESAPEAKE MEDICAL CENTER ACCOUNTS FOR TAX PROVISIONS IN ACCORDANCE WITH FASB INTERPRETATION NO. 48 (FIN 48), ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, INCLUDED IN ASC SUBTOPIC 740-10, INCOME TAXES - OVERALL, WHICH CLARIFIES THE ACCOUNTING FOR UNCERTAINTY IN TAX PROVISIONS. FIN 48 REQUIRES THAT UPPER CHESAPEAKE MEDICAL CENTER RECOGNIZE THE IMPACT OF AN UNCERTAIN TAX POSITION IN ITS FINANCIAL STATEMENTS IF THAT POSITION IS MORE LIKELY THAN NOT TO BE SUSTAINED ON AUDIT, BASED ON THE TECHNICAL MERITS OF THE POSITION.

SCHEDULE D, PART XI, LINE 8

RECONCILIATION OF CHANGE IN NET ASSETS FROM FORM 990 TO AUDITED FINANCIALS

UNREALIZED GAIN/(LOSS) ON SWAP	(11,765,683)
MINIMUM PENSION LIABILITY	1,954,590
TOTAL	(9,811,093)

SCHEDULE D, PART XII

RECONCILIATION OF REVENUE

LINE 2D

UNREALIZED GAIN/(LOSS) ON SWAP	(11,765,683)
MINIMUM PENSION LIABILITY	1,954,590
TOTAL	(9,811,093)

Part XIV Supplemental Information *(continued)*

LINE 4B

RECLASS - RENTAL EXPENSES (2,998,250)

SCHEDULE D, PART XIII

RECONCILIATION OF EXPENSES

LINE 2D

RECLASS - RENTAL EXPENSES $2,998,250

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization
UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number
52-1253920

Part I Financial Assistance and Certain Other Community Benefits at Cost

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)			10,342,624.		10,342,624.	6.00
b Unreimbursed Medicaid (from Worksheet 3, column a)						
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			10,342,624.		10,342,624.	6.00
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			688,476.	262,830.	425,646.	.22
f Health professions education (from Worksheet 5)			129,871.		129,871.	.06
g Subsidized health services (from Worksheet 6)			2,650,773.		2,650,773.	1.00
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			89,633.		89,633.	.04
j **Total.** Other Benefits			3,558,753.	262,830.	3,295,923.	1.32
k **Total.** Add lines 7d and 7j			13,901,377.	262,830.	13,638,547.	7.32

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

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

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

Section A. Bad Debt Expense

			Yes	No
1	Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	X	
2	Enter the amount of the organization's bad debt expense (at cost) 2 12,766,823.			
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy 3 1,561,298.			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts in community benefit.			

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME) 5 74,530,966.			
6	Enter Medicare allowable costs of care relating to payments on line 5 6 71,737,610.			
7	Subtract line 6 from line 5. This is the surplus (or shortfall) 7 2,793,356.			
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☐ Cost to charge ratio ☒ Other			

Section C. Collection Practices

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

Part IV **Management Companies and Joint Ventures**

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

Part V Facility Information

Section A. Hospital Facilities

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

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

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)
1 UPPER CHESAPEAKE MEDICAL CENTER, INC. 500 UPPER CHESAPEAKE DRIVE BEL AIR MD 21014	X	X					X		
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of Hospital Facility: UPPER CHESAPEAKE MEDICAL CENTER, INC.

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

			Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)				
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1		
	If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a	☐ A definition of the community served by the hospital facility			
b	☐ Demographics of the community			
c	☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☐ How data was obtained			
e	☐ The health needs of the community			
f	☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☐ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☐ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 __ __			
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5	Did the hospital facility make its Needs Assessment widely available to the public?	5		
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a	☐ Hospital facility's website			
b	☐ Available upon request from the hospital facility			
c	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a	☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b	☐ Execution of the implementation strategy			
c	☐ Participation in the development of a community-wide community benefit plan			
d	☐ Participation in the execution of a community-wide community benefit plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g	☐ Prioritization of health needs in its community			
h	☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		
Financial Assistance Policy				
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	X	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care to low income individuals?	9	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			

Part V Facility Information *(continued)* UPPER CHESAPEAKE MEDICAL CENTER, INC.

			Yes	No
10	Used FPG to determine eligibility for providing *discounted* care to low income individuals?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 300 %			
11	Explained the basis for calculating amounts charged to patients?	11	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	[X] Income level			
b	[X] Asset level			
c	[X] Medical indigency			
d	[ ] Insurance status			
e	[ ] Uninsured discount			
f	[ ] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	X	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	[X] The policy was posted on the hospital facility's website			
b	[X] The policy was attached to billing invoices			
c	[X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	[X] The policy was posted in the hospital facility's admissions offices			
e	[X] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[ ] Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14	X	
15	Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:			
a	[ ] Reporting to credit agency			
b	[X] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[X] Other actions (describe in Part VI)			
16	Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?	16	X	
	If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):			
a	[ ] Reporting to credit agency			
b	[ ] Lawsuits			
c	[ ] Liens on residences			
d	[ ] Body attachments			
e	[X] Other actions (describe in Part VI)			
17	Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):			
a	[X] Notified patients of the financial assistance policy on admission			
b	[X] Notified patients of the financial assistance policy prior to discharge			
c	[X] Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
d	[X] Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance			
e	[ ] Other (describe in Part VI)			

Part V Facility Information *(continued)* UPPER CHESAPEAKE MEDICAL CENTER, INC.

Policy Relating to Emergency Medical Care

			Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	18	X	
	If "No," indicate the reasons why (check all that apply):			
a	☐ The hospital facility did not provide care for any emergency medical conditions			
b	☐ The hospital facility did not have a policy relating to emergency medical care			
c	☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d	☐ Other (describe in Part VI)			

Charges for Medical Care

19	Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply):			
a	☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility			
b	☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility			
c	☐ The hospital facility used the Medicare rate for those services			
d	☒ Other (describe in Part VI)			
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and 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?	20		X
	If "Yes," explain in Part VI.			
21	Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient?	21	X	
	If "Yes," explain in Part VI.			

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

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size, measured by total revenue per facility, from largest to smallest)

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

Name and address	Type of Facility (describe)
1 UC HEALTH LINK CLINIC 2027 PULASKI HWY, SUITE 206 HAVRE DE GRACE MD 21078	PRIMARY CARE CLINIC-INDIGENT
2	
3	
4	
5	
6	
7	
8	
9	
10	

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals 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 III, SECTION A, LINE 4

BAD DEBT EXPENSE

THE HOSPITAL GRANTS CREDIT TO PATIENTS, SUBSTANTIALLY ALL OF WHOM ARE LOCAL RESIDENTS. THE HOSPITAL GENERALLY DOES NOT REQUIRE COLLATERAL OR OTHER SECURITY IN EXTENDING CREDIT; HOWEVER, THE HOSPITAL ROUTINELY OBTAINS ASSIGNMENT OF (OR ARE OTHERWSIE ENTITLED TO RECEIVE) PATIENTS' BENEFITS RECEIVABLE UNDER THEIR HEALTH INSURANCE PROGRAMS, PLANS OR POLICIES.

PART III, SECTION B, LINE 8

COMMUNITY BENEFIT AND SHORTFALL

THE HOSPITAL DID NOT HAVE A MEDICARE SHORTFALL.

PART III, SECTION C, LINE 9B

COLLECTION PRACTICES

IT IS THE POLICY OF UPPER CHESAPEAKE MEDICAL CENTER ("UCMC") TO ATTEMPT TO COLLECT PAYMENT FOR ALL SERVICES RENDERED TO PATIENTS IN THE MOST EFFICIENT AND PATIENT FRIENDLY MANNER. UCMC WILL FIRST ATTEMPT TO

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals 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.

COLLECT PAYMENT FROM THE PATIENT'S INSURANCE COMPANY. IN THE EVENT THE

PATIENT HAS NO INSURANCE OR LIMITED INSURANCE COVERAGE, UCMC WILL ATTEMPT

TO QUALIFY THE PATIENT FOR THE MARYLAND MEDICAL ASSISTANCE PROGRAM AND/OR

UCMC'S FINANCIAL ASSISTANCE POLICY.

PART V, LINES 15E/16E/19D/21

BILLING AND COLLECTIONS:

LINE 15E

PATIENTS WHO ARE LEFT WITH A BALANCE AFTER ALL INSURANCES HAVE BEEN

PURSUED AND FINANCIAL ASSISTANCE HAS BEEN OFFERED WILL BE FORWARDED TO A

COLLECTION AGENCY AS A LAST RESORT TO OBTAIN PAYMENT FROM THE PATIENT.

LINE 16E

TWO AGENCIES ARE EMPLOYED BY UCMC; EACH RECEIVING APPROXIMATELY FIFTY

PERCENT OF THE ACCOUNT (BASED ON TEH FIRST LETTER OF THE LAST NAME OF

EACH PATIENT). ACCOUNTS PLACED WITH ONE OF THE COLLECTION AGENCIES ARE

CLASSIFIED AS BAD DEBTS AND REMOVED FROM ACCOUNTS RECEIVABLE.

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

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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.

CHARGES FOR MEDICAL CARE:

LINES 19D & 21

THE STATE OF MARYLAND HEALTH SERVICES COST REVIEW COMMISSION SETS RATES FOR ALL HOSPITALS IN THE STATE. THOSE RATES ARE APPLIED UNIFORMLY TO ALL PATIENTS. GROSS CHARGES MAY NOT BE DISCOUNTED OUTSIDE OF STATE-ACCEPTED DISCOUNTS FOR PROMPT PAYMENT AND ADVANCE FUNDING. IF A PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE, A PERCENTAGE OF THE GROSS CHARGES ARE THEN WRITTEN-OFF TO CHARITY CARE.

PART VI, SUPPLEMENTAL INFORMATION

NEEDS ASSESSMENT

EVERY THREE YEARS A COMMUNITY HEALTH ASSESSMENT SURVEY/PLAN IS PERFORMED.

PART VI, SUPPLEMENTAL INFORMATION

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

THE HOSPITAL DISPLAYS SIGNS AT EVERY REGISTRATION POINT INFORMING THE PATIENTS ABOUT THE AVAILABILITY OF THE VARIOUS FINANCIAL AND MEDICAL ASSISTANCE PROGRAMS.

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

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5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals 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.

THE HOSPITAL OFFERS EVERY SELF-PAY PATIENT OR ANY PATIENT WHO INQUIRES

THE FINANCIAL ASSISTANCE INFORMATIONAL PACKET AND APPLICATION. THE COVER

SHEET FOR THE FINANCIAL ASSISTANCE PACKET ALSO INCLUDES INFORMATION ON

OBTAINING MEDICAL ASSISTANCE.

IN ADDITION, THE HOSPITAL HAS A FINANCIAL COUNSELOR THAT VISITS THE

SELF-PAY PATIENT IN THE EMERGENCY DEPARTMENT OR IN THE PATIENT'S ROOM TO

DISCUSS WHAT IS AVAILABLE TO THEM.

THE HOSPITAL ALSO EMPLOYS A MEDICAL ASSISTANCE ADVOCACY COMPANY TO ASSIST

THE HOSPITAL'S PATIENTS GET MEDICAL ASSISTANCE.

THE HOSPITAL ALSO PROVIDES INFORMATION ABOUT THE PROGRAMS IN EACH BILLING

STATEMENT.

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

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5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals 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 VI, SUPPLEMENTAL INFORMATION

COMMUNITY INFORMATION

THE SERVICE AREA OF THE UPPER CHESAPEAKE HEALTH SYSTEM, WHICH INCLUDES UPPER CHESAPEAKE MEDICAL CENTER, CONSISTS OF THE NORTHEAST PART OF MARYLAND, INCLUDING HARFORD COUNTY, WESTERN CECIL COUNTY AND PORTION OF BALTIMORE COUNTY. THIS SERVICE AREA IS LOCATED AT THE APEX OF THE CHESAPEAKE BAY AND IS SPREAD ACROSS 536 SQUARE MILES. IT CONTAINS, AMONG OTHERS, THE CITIES AND TOWNS OF HAVRE DE GRACE, ABERDEEN, BEL AIR, FALLSTON, AND EDGEWOOD. THE SERVICE AREA ENJOYS A DIVERSE ECONOMIC BASE, RANGING FROM CONCENTRATIONS IN SERVICE, MANUFACTURING, DISTRIBUTION, AND RETAIL, TO FEDERAL GOVERNMENT EMPLOYMENT. HARFORD COMMUNITY COLLEGE PROVIDES A LOCAL VENUE FOR ADVANCED EDUCATION AND HARFORD COUNTY'S PROXIMITY TO BALTIMORE GIVES IT ACCESS TO NATIONALLY RECOGNIZED UNIVERSITIES WHICH HELP PROVIDE A SKILLED WORKFORCE. THE SERVICE AREA IS SERVED BY INTERSTATE 95, AMTRAK AND FREIGHT RAIL LINES ALONG THE BUSY EAST-COAST TRANSPORTATION CORRIDOR BETWEEN NEW YORK AND WASHINGTON, DC. IN 2007, THE SERVICE AREA HAD A TOTAL POPULATION OF 276,500 PEOPLE WITH HISTORICAL ANNUAL GROWTH RATES OF APPROXIMATELY 1.8% PER YEAR. THIS

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals 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.

GROWTH HAS BEEN CHARACTERIZED BY AN INFLUX OF YOUNG FAMILIES SEEKING SUBURBAN ENVIRONMENT IN WHICH TO LIVE AND IS COMPLEMENTED BY A GROWTH IN BUSINESSES AND OTHER SERVICES THAT FOLLOW YOUNG, MIDDLE CLASS FAMILIES. IN 2007, THE SERVICE AREA HAD AN ESTIMATED 101,930 HOUSEHOLDS WITH A MEDIAN FAMILY INCOME OF $67,300 AND AN AVERAGE HOUSEHOLD INCOME OF $81,000. 87% OF THE SERVICE AREA'S ADULTS OVER THE AGE OF 25 ARE HIGH SCHOOL GRADUATES OR HIGHER; 27% ACHIEVED BACHELOR'S DEGREES OR HIGHER. THE SERVICE AREA'S GROWTH AND GEOGRAPHIC LOCATION EXPLAIN ITS ABILITY TO ATTRACT MAJOR EAST-COAST DISTRIBUTION CENTER AND INDUSTRY, WHICH HAVE PROVIDED ADDITIONAL EMPLOYMENT OPPORTUNITIES IN THE SERVICE AREA. IN DECEMBER 2007, THE SERVICE AREA HAD A WORK FORCE OF APPROXIMATELY 142,829.

PLEASE SEE SCHEDULE O FOR MORE INFORMATION.

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals 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 VI, SUPPLEMENTAL INFORMATION

PROMOTION OF COMMUNITY HEALTH

UPPER CHESAPEAKE MEDICAL CENTER DID NOT HAVE COMMUNITY BUILDING ACTIVITIES DURING THE CALENDAR YEAR ENDED DECEMBER 31, 2010.

PART VI, SUPPLEMENTAL INFORMATION

AFFILIATED HEALTH CARE SYSTEM

UPPER CHESAPEAKE MEDICAL CENTER, INC. (UCMC) IS ONE HOSPITAL IN AN "AFFILIATED HEALTH CARE SYSTEM" THAT INCLUDES A SECOND HOSPITAL, HARFORD MEMORIAL HOSPITAL, INC. (HMH), A PHYSICIAN SERVICES ORGANIZATION (UPPER CHESAPEAKE MEDICAL SERVICES, INC.), A PROPERTY HOLDING COMPANY (UPPER CHESAPEAKE PROPERTIES, INC.), A HOSPICE RESIDENCE (UPPER CHESAPEAKE RESIDENTIAL HOSPICE HOUSE, INC. & HOSPICE OF HARFORD COUNTY LLC) AND A FOR-PROFIT VENTURE WITH INVESTMENTS IN PRIVATE IMAGING SERVICES (UPPER CHESAPEAKE HEALTH VENTURES, INC.).

THE "SYSTEM" PROVIDES A BROAD RANGE OF COMMUNITY HEALTH CARE SERVICES, INCLUDING PREVENTIVE, AMBULATORY, ACUTE AND HOSPICE SERVICES, THROUGH AN

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospitals 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.

INTEGRATED HEALTH CARE DELIVERY SYSTEM IN HARFORD COUNTY AND PARTS OF

BALTIMORE AND CECIL COUNTIES, IN NORTHEAST MARYLAND.

UCMC AND HMH ARE THE ONLY HOSPITALS IN HARFORD COUNTY, MARYLAND. UCMC

OFFERS ACUTE CARE SERVICES, INCLUDING INTENSIVE CARE, EMERGENCY AND OTHER

OUTPATIENT SERVICES, AND HAS THE ONLY ACUTE CARE MATERNITY SERVICES IN

HARFORD COUNTY.

PART VI, SUPPLEMENTAL INFORMATION

STATE FILING OF COMMUNITY BENEFIT REPORT

THE HEALTH SERVICES COST REVIEW COMMISSION, THE STATE AGENCY THAT

REGULATES HOSPITAL RATES IN MARYLAND, REQUIRES A COMMUNITY BENEFIT REPORT

TO BE FILED ANNUALLY.

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" to Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number

52-1253920

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? . . . . . [X] 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 Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient 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 non-cash assistance	(h) Purpose of grant or assistance
(1) UPPER CHESAPEAKE PROPERTIES 520 UPPER CHESAPEAKE DRIVE	52-1907237	501(C)(2)	3,014,956.				LOAN PAYOFF
(2) UPPER CHESAPEAKE MEDICAL SERVICES 520 UPPER CHESAPEAKE DRIVE	52-1501734	501(C)(3)	8,349,069.				PHY PRACTICE SUPPRT
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations . . . . . ▶ 2.

3 Enter total number of other organizations . . . . . ▶

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. 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 non-cash assistance
1						
2						
3						
4						
5						
6						
7						

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

SCHEDULE I - GRANTS & OTHER ASSISTANCE

PART I, QUESTION 2 - GENERAL INFORMATION ON GRANTS AND ASSISTANCE

ALTHOUGH THE FILING ORGANIZATION DOES NOT HAVE FORMALIZED INTERNAL PROCEDYRES FOR MONITORING THE USE OF GRANT FUNDS IN THE UNITED STATES, THE FILING ORGANIZATION DOES HAVE A WRITTEN AND APPROVED CHARITABLE GIVING POLICY AND PROCEDURE. THERE IS WRITTEN CRITERIA REGARDING THE RECOMMENDATIONS FOR CONSIDERATION WHEN EVALUATING CONTRIBUTION REQUESTS SUCH AS FOLLOWS:

(1) THAT CONTRIBUTIONS WILL BE MADE ONLY TO ORGANIZATIONS FOR PURPOSES CONSISTENT WITH UPPER CHESAPEAKE HEALTH SYSTEM'S (PARENT ENTITY) VISION

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. 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 non-cash assistance
1						
2						
3						
4						
5						
6						
7						

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

AND MISSION.

(2) CONTRIBUTIONS WILL BE MADE ONLY TO NOT-FOR-PROFIT ORGANIZATIONS.

(3) CONTRIBUTIONS WILL PREFERABLY BE MADE TO ORGANIZATIONS WHICH DIRECTLY SERVE THE CITIZENS OF HARFORD AND CECIL COUNTIES.

(4) CONTRIBUTIONS WILL NOT BE GIVEN TO INDIVIDUALS (EXLUDING SCHOLARSHIPS).

(5) CONTRIBUTIONS WILL NOT BE MADE FOR RELIGIOUS PURPOSES; HOWEVER, THERE MAY BE CONTRIBUTIONS GIVEN FOR A SPECIFIC EFFORT OR PROGRAM WITHIN A CHURCH OR RELIGIOUS FACILITY WHICH PROVIDES HEALTH-RELATED SERVICES TO THE BROADER COMMUNITY.

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. 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 non-cash assistance
1						
2						
3						
4						
5						
6						
7						

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

(6) CONTRIBUTIONS WILL NOT BE MADE IN SUPPORT OF POLITICAL ADVOCACY.

(7) UPPER CHESAPEAKE HEALTH SYSTEM WILL STRIVE TO DONATE TO ORGANIZATIONS WHERE THE MAJORITY OF THE FUNDS RECEIVED ARE APPLIED DIRECTLY TO THE NEED THE ORGANIZATION IS DESIGNED TO MEET.

*** REQUESTS FOR $5,000 AND UNDER ARE REFERRED TO THE PRESIDENT/CEO FOR REVIEW AND APPROVAL

*** REQUESTS FOR GREATER THAN $5,000 ARE REFERRED TO THE COMMUNITY DEVELOPMENT COMMITTEE FOR DISCUSSION AND APPROVAL

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

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

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization
UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number
52-1253920

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax indemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e.g., maid, chauffeur, chef)		
b	If any of the boxes 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	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.			
	☒ Compensation committee	☒ Written employment contract		
	☒ Independent compensation consultant	☒ Compensation survey or study		
	☐ Form 990 of other organizations	☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	**4a**		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	**5a**		X
b	Any related organization?	**5b**		X
	If "Yes" to line 5a or 5b, describe in Part III.			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a	The organization?	**6a**		
b	Any related organization?	**6b**		X
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	**8**		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	**9**		

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

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 LYLE E SHELDON	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	488,792.	216,674.	49,964.	160,200.	35,977.	951,607.	
2 FAHEEM YOUNUS, MD	(i)	0.	0.	175,882.	0.	0.	175,882.	
	(ii)	0.	0.	0.	0.	0.	0.	
3 JOYCE FOX	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	155,276.	36,351.	10,955.	39,826.	1,611.	244,019.	
4 JOSEPH E HOFFMAN III	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	243,610.	94,643.	25,687.	79,634.	28,314.	471,888.	
5 KENNETH D KOZEL	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	253,777.	95,946.	28,410.	76,876.	22,572.	477,581.	
6 DEAN C KASTER	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	195,672.	62,577.	2,536.	51,605.	23,203.	335,593.	
7 MARGARET M VAUGHAN	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	265,627.	90,383.	12,709.	83,392.	24,088.	476,199.	
8 E SCOTT CONOVER	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	232,278.	80,998.	17,530.	48,616.	1,154.	380,576.	
9 TONI M SHIVERY	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	150,057.	36,940.	9,130.	34,858.	21,213.	252,198.	
10 ROY PHILLIPS	(i)	189,496.	0.	877.	22,691.	16,678.	229,742.	
	(ii)	0.	0.	0.	0.	0.	0.	
11 ANGELA M KAITIS	(i)	114,002.	13,131.	463.	25,702.	17,560.	170,858.	
	(ii)	0.	0.	0.	0.	0.	0.	
12 PAMELA C MCLAUGHLIN	(i)	94,388.	33,614.	77.	20,262.	21,319.	169,660.	
	(ii)	0.	0.	0.	0.	0.	0.	
13 PATRICIA ERCOLANO	(i)	120,028.	16,669.	0.	10,627.	19,753.	167,077.	
	(ii)	0.	0.	0.	0.	0.	0.	
14 JEFFREY M GORSCHBOTH	(i)	106,943.	31,545.	80.	1,471.	23,204.	163,243.	
	(ii)	0.	0.	0.	0.	0.	0.	
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

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

SCHEDULE J, COMPENSATION INFORMATION

PART I, QUESTION 4B

AN ORGANIZATION RELATED TO THIS FILING ORGANIZATION MADE SPLIT DOLLAR LIFE INSURANCE PLAN CONTRIBUTIONS TO THE FOLLOWING MEMBERS OF SENIOR LEADERSHIP WHO ARE LISTED ON THIS FILING ORGANIZATION'S FORM 990, PART VII, SECTION A, LINE 1A:

LYLE E SHELDON	$107,000
JOSEPH E HOFFMAN III	$ 28,616
DEAN C KASTER	$ 22,510
MARGARET M VAUGHAN	$ 31,167

SCHEDULE K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number

52-1253920

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled Financing	
							Yes	No	Yes	No	Yes	No
A	MARYLAND HEALTH & HIGHER ED FACILITIES AUTHORITY	52-0936091	5742172P9	08/08/2008	124,100,000.	REFINANCE EXISTING DEBT		X		X		X
B	MARYLAND HEALTH & HIGHER ED FACILITIES AUTHORITY	52-0936091	5742172P9	08/08/2008	55,325,000.	REFINANCE EXISTING DEBT		X		X		X
C												
D												

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	125,300,000.	54,125,000.		
2	Amount of bonds legally defeased	0.	0.		
3	Total proceeds of issue	129,980,000.	58,596,000.		
4	Gross proceeds in reserve funds	0.	3,977,000.		
5	Capitalized interest from proceeds	0.	0.		
6	Proceeds in refunding escrows	103,437,431.	42,124,236.		
7	Issuance costs from proceeds	732,972.	493,714.		
8	Credit enhancement from proceeds	227,228.	0.		
9	Working capital expenditures from proceeds	0.	0.		
10	Capital expenditures from proceeds	3,720,000.	0.		
11	Other spent proceeds	0.	0.		
12	Other unspent proceeds	0.	0.		
13	Year of substantial completion	2008	2008		

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X		X					
15	Were the bonds issued as part of 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				

Part III Private Business Use *(Continued)*

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X		X				
b Are there any research agreements that may result in private business use of bond-financed property?		X		X				
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		X		X				
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0.0000 %		0.0000 %		%		%	
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 ▶	0.0000 %		0.0000 %		%		%	
6 Total of lines 4 and 5	0.0000 %		0.0000 %		%		%	
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X					

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X				
2 Is the bond issue a variable rate issue?	X			X				
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X			X				
b Name of provider	BANK OF AMERICA							
c Term of hedge	35.000							
d Was the hedge superintegrated?		X		X				
e Was the hedge terminated?		X		X				
4a Were gross proceeds invested in a 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?								
5 Were any gross proceeds invested beyond an available temporary period?		X		X				
6 Did the bond issue qualify for an exception to rebate?		X		X				

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

SCHEDULE K - SUPPLEMENTAL INFORMATION
THE OBLIGATED GROUP ON THE BOND ISSUES IDENTIFIED IN SCHEDULE K INCLUDE BOTH UPPER CHESAPEAKE MEDICAL CENTER, INC. (52-1253920) AND HARFORD MEMORIAL HOSPITAL, INC. (52-0591484).

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.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization
UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number
52-1253920

PART VI, SECTION A, GOVERNING BODY & MANAGEMENT, QUESTION 2

FAMILY OR BUSINESS RELATIONSHIP

LYLE E SHELDON AND JOSEPH E HOFFMAN III ARE OFFICERS IN THE SAME BUSINESS ENTITIES. THE SAME BUSINESS ENTITIES ARE THE FOR-PROFT CORPORATIONS OR PARTNERSHIPS THAT ARE RELATED TO THIS FILING ENTITY. PLEASE SEE FORM 990, SCHEDULE R.

PART VI, SECTION A, GOVERNING BODY & MANAGEMENT, QUESTION 6

EXISTENCE OF MEMBERS

UPPER CHESAPEAKE HEALTH SYSTEM AND UNIVERSITY OF MARYLAND MEDICAL SYSTEM ARE PARTNERS IN A MARYLAND LIMITED LIABILITY COMPANY NAMED UCHS/UMMS VENTURE LLC ("VENTURE"). THE VENTURE WAS ORGANIZED FOR CHARITABLE PURPOSES TO COORDINATE ACTIVITIES OF HEALTHCARE FACILITIES AND OTHER CORPORATE BODIES WHOSE PURPOSES INCLUDE THE PROVISION OF HEALTHCARE SERVICES OR FINANCIAL ASSISTANCE TO HEALTHCARE FACILITIES IN HARFORD COUNTY, MARYLAND. VENTURE IS THE SOLE MEMBER OF THIS FILING ORGANIZATION.

PART VI, SECTION B, POLICIES, QUESTION 11B

ORGANIZATIONAL REVIEW OF FORM 990

THE BOARD OF UPPER CHESAPEAKE HEALTH SYSTEM, INC. ("HEALTH SYSTEM") HAS ASSIGNED THE EXECUTIVE COMMITTEE OF THE HEALTH SYSTEM'S BOARD TO REVIEW AND APPROVE ALL CONTENTS OF FORM 990 ON BEHALF OF THE BOARDS OF ALL HEALTH SYSTEM'S TAX-EXEMPT AFFILIATES. IN TURN, ONCE THE FORM 990 HAS

Name of the organization: UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number: 52-1253920

BEEN APPROVED BY HEALTH SYSTEM'S EXECUTIVE COMMITTEE, A FINAL VERSION OF THE FORM 990 WILL BE MADE AVAILABLE TO ALL BOARD MEMBERS OF THE RESPECTIVE HEALTH SYSTEM'S TAX-EXEMPT AFFILIATES. FORMAL NOTIFICATION OF THE FINAL AND APPROVED FORM 990 FOR EACH OF THE HEALTH SYSTEM'S AFFILIATES AS WELL AS ITS AVAILABILITY WILL BE COMMUNICATED TO THE APPLICABLE BOARD MEMBERS ON OR BEFORE THE FILING OF THE FORM 990.

PART VI, SECTION B, POLICIES, QUESTION 12C

CONFLICT OF INTEREST POLICY

THE ORGANIZATION'S WRITTEN CONFLICT OF INTEREST POLICY COVERS THE FOLLOWING INDIVIDUALS: DIRECTORS, PRINCIPAL OFFICERS, AND SENIOR MANAGEMENT. FURTHERMORE, THE POLICY EXTENDS TO THE FAMILY MEMBERS (PER INTERNAL REVENUE SERVICE DEFINITION) OF SUCH DIRECTORS, PRINCIPAL OFFICERS, AND SENIOR MANAGEMENT. THE BOARD OF DIRECTORS AND ANY COMMITTEE CONSIDERING A CONTRACT, TRANSACTION OR ARRANGEMENT TO WHICH A KNOWN OR POTENTIAL CONFLICT OF INTEREST RELATES, DETERMINES WHETHER A CONFLICT EXISTS. ACTUAL CONFLICTS ARE REVIEWED BY THE CHAIRMAN OF THE BOARD. AN INDIVIDUAL WITH A KNOWN OR POTENTIAL CONFLICT OF INTEREST MUST REFRAIN FROM PARTICIPATING IN, OR ACTING ON, THE DECISION ON ANY MATTER IN WHICH A CONFLICT OF INTEREST, OR EVEN THE APPEARANCE OF SUCH A CONFLICT OF INTEREST, IS PRESENT WITH RESPECT TO SUCH INDIVIDUAL AND WILL REMOVE HIMSELF OR HERSELF FROM ANY MEETING OR DELIBERATIONS ON THE MATTER.

PART VI, SECTION B, POLICIES, QUESTION 15

PROCESS FOR DETERMINING COMPENSATION

THE EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS APPROVES

Name of the organization: UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number: 52-1253920

COMPENSATION FOR THE CHIEF EXECUTIVE OFFICER, CHIEF OPERATING OFFICER, CHIEF FINANCIAL OFFICER, AND ALL KEY EMPLOYEES. THE EXECUTIVE COMPENSATION COMMITTEE UTILIZES BUT IS NOT LIMITED TO THE FOLLOWING RESOURCES IN EVALUATING AND ESTABLISHING REASONABLE COMPENSATION: INDEPENDENT COMPENSATION CONSULTANTS, COMPENSATION SURVEYS AND COMPENSATION STUDIES. THIS ORGANIZATION AND ITS TAX-EXEMPT AFFILIATES STRIVE TO MAINTAIN AN ARM'S LENGTH RELATIONSHIP BETWEEN ITSELF AND ITS EMPLOYEES. IT IS THE GOAL OF THE EXECUTIVE COMPENSATION COMMITTEE TO ENSURE THAT TOTAL COMPENSATION (COMPENSATION AND BENEFITS) PAID TO ITS EMPLOYEES IS FAIR AND REASONABLE. FINALLY, THE PROCESS OF SETTING AND APPROVING SUCH COMPENSATION IS PERFORMED ANNUALLY BY THE BOARD'S EXECUTIVE COMPENSATION COMMITTEE.

PART VI, SECTION C, DISCLOSURE, QUESTION 19

DOCUMENTS AVAILABLE TO THE PUBLIC

THE ORGANIZATION WILL MAKE THE FOLLOWING DOCUMENTS AVAILABLE TO THE PUBLIC UPON REQUEST: ARTICLES OF INCORPORATION, BYLAWS, CONFLICT OF INTEREST POLICY, AND AUDITED FINANCIAL STATEMENTS (HARFORD MEMORIAL HOSPITAL, INC. AND UPPER CHESAPEAKE MEDICAL CENTER, INC.).

PART VIII - STATEMENT OF REVENUE

LINE 2A - PROGRAM SERVICE REVENUE

PATIENT SERVICE REVENUE	$226,535,129
NET CONTRACTUAL ALLOWANCES	(24,890,322)
NET PATIENT REVENUE	$201,644,807

Name of the organization: UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number: 52-1253920

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PART VII, SECTION A, PART I

AVERAGE HOURS PER WEEK

THE FOLLOWING CHART DETAILS THE FILING ORGANIZATION'S BOARD OF DIRECTORS MEMBERS AND OFFICERS WHO ARE ALSO BOARD OF DIRECTORS MEMBERS AND OFFICERS OF RELATED EXEMPT ORGANIZATIONS AND THE HOURS SPENT PER WEEK ON DUTIES FOR THOSE RELATED EXEMPT ORGANIZATIONS. THE CHART DOES NOT REFLECT HOURS SPENT PER WEEK ON DUTIES FOR ANY RELATED FOR-PROFIT ENTITIES. THE HOURS REFLECTED IN PART VII, SECTION A, COLUMN B ARE ONLY THE AVERAGE HOURS PER WEEK FOR THIS FILING ORGANIZATION.

	UCF	HMH	UCMS	UCP	UCHC	UCHS	HH	UCRHH
LYLE E. SHELDON PRES/CEO	1	5	1	1	.50	40	1	.50
JOSEPH E. HOFFMAN SR VP/CFO	1	1	1	1	1	40	-	1
JOYCE FOX VP PATIENT SERVICES/CNO	-	20	-	-	-	-	-	-
MARGARET M. VAUGHAN SR VP/CMO	-	5	1	-	-	40	-	-
KENNETH D. KOZEL SR VP/COO	1	5	1	1	1	40	-	-

Name of the organization	Employer identification number
UPPER CHESAPEAKE MEDICAL CENTER	52-1253920

DEAN C. KASTER	-	5	-	-	-	40	-	-
SR VP/CORP STRTGY/PLNING									
TONI M. SHIVERY	-	5	-	-	-	40	-	-
VP/HUMAN RESOURCES									
E. SCOTT CONVOER	-	5	1	-	-	40	-	-
SR VP/GENERAL COUNSEL									

UCF - UPPER CHESAPEAKE HEALTH FOUNDATION

HMH - HARFORD MEMORIAL HOSPITAL

UCMS - UPPER CHESAPEAKE MEDICAL SERVICES

UCP - UPPER CHESAPEAKE PROPERTIES

UCHC - UPPER CHESAPEAKE/ST. JOE'S HOME CARE

UCHS - UPPER CHESAPEAKE HEALTH SYSTEM

HH - HEALTHY HARFORD

UCRHH - UPPER CHESAPEAKE RESIDENTIAL HOSPICE HOUSE

PART XI, LINE 5

RECONCILIATION OF NET ASSETS

UNREALIZED GAIN/(LOSS) ON SWAP	(11,765,683)
MINIMUM PENSION LIABILITY	1,954,590
UNREALIZED GAIN/(LOSS) ON SECURITIES	(55,212)
ROUNDING	(94)

Name of the organization: UPPER CHESAPEAKE MEDICAL CENTER

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TOTAL (9,866,399)

PART III, PROGRAM SERVICE ACCOMPLISHMENTS

TO PROVIDE HEALTHCARE SERVICES TO PATIENTS REGARDLESS OF THEIR ABILITY TO PAY FOR SUCH SERVICES.

FOR MORE THAN 90 YEARS, UPPER CHESAPEAKE HEALTH HAS BEEN PROVIDING COMPREHENSIVE, HIGH QUALITY HEALTH CARE. ITS TWO HOSPITALS, HARFORD MEMORIAL HOSPITAL AND UPPER CHESAPEAKE MEDICAL CENTER OFFER SOME OF THE AREA'S MOST ADVANCED INPATIENT AND OUTPATIENT SERVICES SO THAT PATIENTS CAN ENJOY THE SUPERIOR WELLNESS RESOURCES A HEALTHY LIFESTYLE NEEDS, WITHOUT LEAVING THEIR NEIGHBORHOOD. UPPER CHESAPEAKE HEALTH SYSTEM IS A COMMUNITY-BASED, NON-PROFIT HEALTH SYSTEM LOCATED IN HARFORD COUNTY, MARYLAND. OUR VISION IS BASED ON CREATING THE HEALTHIEST COMMUNITY IN MARYLAND. BUILDING ON THAT VISION, WE HAVE A STRONG COMMITMENT TO SERVICE EXCELLENCE. SO MUCH SO THAT IT HAS BECOME PART OF THE FABRIC OF THE HEALTHCARE EXPERIENCE AT UPPER CHESAPEAKE HEALTH. UPPER CHESAPEAKE HEALTH SYSTEM HAS OVER 2,500 PHYSICIANS AND HEALTHCARE PROFESSIONALS WHO ARE DELIVERING CARE FOR THE MIND, BODY AND SPIRIT IN SETTINGS FROM OFFICES, TO OUTPATIENT CENTERS, TO HOSPITALS, TO SHOPPING CENTERS, TO BUSINESSES AND HOMES. UPPER CHESAPEAKE MEDICAL CENTER IS A MEMBER OF THE UPPER CHESAPEAKE HEALTH SYSTEM. UPPER CHESAPEAKE MEDICAL CENTER IS AN ACUTE CARE, NON-PROFIT FACILITY OFFERING A FULL COMPLEMENT OF MEDICAL, DIAGNOSTIC AND EMERGENCY CARE SERVICES. THE HOSPITAL IS FULLY ACCREDITED BY THE JOINT COMMISSION ON THE ACCREDITATION OF HEALTHCARE ORGANIZATIONS (JCAHO). THIS PREMIER HEALTH CARE FACILITY INCORPORATES SEVERAL TRENDS

Name of the organization	Employer identification number
UPPER CHESAPEAKE MEDICAL CENTER	52-1253920

THAT REFLECT HOW HEALTH CARE IS CHANGING, INCLUDING REORIENTATION TOWARDS OUTPATIENT CARE, MORE ACUTELY ILL PATIENTS IN THE HOSPITAL AND FLEXIBILITY FOR GROWTH AND CHANGE TO MEET OUR COMMUNITY'S FUTURE HEALTH CARE NEEDS. LOCATED ON THE MEDICAL CAMPUS IS THE UPPER CHESAPEAKE MEDICAL CENTER WITH 194 ACUTE CARE BEDS. ADJACENT TO THE MEDICAL CENTER IS THE AMBULATORY CARE CENTER OF HARFORD COUNTY, CONTAINING PHYSICIAN OFFICES, OUTPATIENT IMAGING AND LABORATORY PROCEDURES, OUTPATIENT PRE-ASSESSMENT TESTING AND ASSESSMENT, UPPER CHESAPEAKE CARDIOVASCULAR INSTITUTE, AND THE ADMINISTRATIVE OFFICES OF UPPER CHESAPEAKE HEALTH. ALSO LOCATED NEXT TO THE MEDICAL CENTER, IS A PRE-EXISTING MEDICAL OFFICE BUILDING WITH PHYSICIAN OFFICES AND OTHER HEALTHCARE RELATED SERVICES, A PARKING GARAGE AND A SECOND MEDICAL OFFICE BUILDING WHICH INCLUDES OUTPATIENT SERVICES AND PHYSICIAN OFFICES.

HARFORD MEMORIAL AND UPPER CHESAPEAKE MEDICAL CENTER MAINTAIN CHARITY CARE PROGRAMS AND, IN ADDITION, CONDUCT MANY COMMUNITY OUTREACH AND COMMUNITY BUILDING ACTIVITIES, INCLUDING:

- COMMUNITY HEALTH EDUCATION PROGRAMS WHICH INCLUDE NEWBORN BABY CARE, SITTER SAFETY PROGRAM, INFANT CPR, INFANT SAFETY, STOP SMOKING CLASS, KIDS SAFETY CLASS, AND PRENATAL BREAST FEEDING CLASS

- SUPPORT GROUPS INCLUDING BREAST FEEDING SUPPORT, BREAST CANCER AWARENESS GROUPS, PERINATAL BEREAVEMENT, ASTHMA SUPPORT GROUP, WIDOW AND WIDOWERS SUPPORT GROUP, GRIEF SUPPORT GROUP, PROSTATE CANCER SUPPORT

Name of the organization: UPPER CHESAPEAKE MEDICAL CENTER

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GROUP, AMPUTEE NETWORK, BRAIN INJURY SUPPORT GROUP, STROKE CLUB, LUPUS SUPPORT GROUP, AND OTHERS

- HEALTH SCREENINGS INCLUDING SCREENINGS FOR OSTEOPOROSIS, CARDIAC PROBLEMS, BLOOD PRESSURE, AND OTHER ISSUES

- FREE AND MOBILE CLINICS

A NUMERICAL SUMMARY OF COMMUNITY ACTIVITIES FOR UPPER CHESAPEAKE MEDICAL CENTER IS AS FOLLOWS:

	# OF STAFF HOURS	# OF ENCOUNTERS
COMMUNITY HEALTH SERVICES	1,589	12,930

	DIRECT COST ($)	INDIRECT COST ($)
COMMUNITY HEALTH SERVICES	455,978	232,498
TRANSITIONAL HEALTH SERVICES	2,891,918	1,474,554
TOTAL HOSPITAL COMMUNITY BENEFIT	3,347,896	1,707,052

	OFFSETTING REVENUE ($)	NET COMMUNITY BENEFIT ($)
COMMUNITY HEALTH SERVICES	262,830	425,646
TRANSITIONAL HEALTHSERVICES	-	4,366,472

Name of the organization: UPPER CHESAPEAKE MEDICAL CENTER

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CHARITY CARE	-	2,213,557
TOTAL HOSPITAL COMMUNITY BENEFIT	262,830	7,005,675

COMMUNITY OUTREACH

IN 2010, HEALTHLINK HAD APPROXIMATELY 22,350 COMMUNITY-WIDE ADULT CONTACTS THROUGH THEIR SCREENING AND EDUCATION PROGRAMS, FLU VACCINATION CLINICS, SUPPORT GROUPS AND HEALTHLINK PRIMARY CARE CLINIC VISITS. APPROXIMATELY 5,449 OF THESE CONTACTS WERE FOR HEALTH SCREENINGS (BLOOD PRESSURE, BODY FAT, CHOLESTEROL, OSTEOPOROSIS, STROKE, SLEEP, DIABETES RISK ASSESSMENTS, FOOT AND EYE SCREENINGS, AND CANCER SCREENINGS). AN ADDITIONAL 3,890 CONTACTS WERE REALIZED THROUGH THE HEALTHLINK PRIMARY CARE CLINIC. OVER 2,000 INFLUENZA VACCINATIONS WERE ADMINISTERED COUNTYWIDE. IN ADDITION TO INFLUENZA VACCINATIONS, COMMUNITY OUTREACH PROVIDED AN ADDITIONAL 56 H1N1 VACCINATIONS. COMMUNITY OUTREACH ALSO PROVIDED LOCAL BUSINESSES WITH EMPLOYEE HEALTH SCREENINGS AND VACCINATIONS TOTALING 469 ENCOUNTERS. AND MORE THAN 6,000 HARFORD COUNTY CHILDREN RECEIVED HEALTH EDUCATION FROM UPPER CHESAPEAKE COMMUNITY OUTREACH.

SENIOR CENTER PROGRAMS

- IN ADDITION TO COMMUNITY HEALTH HOLDING MONTHLY BLOOD PRESSURE SCREENINGS AT ALL FIVE SENIOR CENTERS, SPRING HEALTH CARNIVALS WERE HELD AT EACH CENTER. THE FOCUS WAS ON GENERAL HEALTH AND WELL-BEING AS WELL AS STAYING ACTIVE. HEALTH SCREENINGS AND PHYSICAL ACTIVITIES WERE PROVIDED IN A CARNIVAL ATMOSPHERE BY COMMUNITY OUTREACH. APPROXIMATELY 200 SENIORS

Name of the organization: UPPER CHESAPEAKE MEDICAL CENTER

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PARTICIPATED IN ONE OF THE CARNIVALS.

CHILDREN'S PROGRAMS

- A TOTAL OF 887 CHILDREN WERE INVOLVED WITH OUR GLO GERM PROGRAM. THIS IS A PROGRAM THAT EMPHASIZES HOW INFECTION IS SPREAD AND THE IMPORTANCE OF GOOD HAND WASHING HABITS.

- APPROXIMATELY 2,070 CHILDREN WERE EXPOSED TO OUR "KATU" (KIDS AGAINST TOBACCO USE) PROGRAM AND NEW SMOKING OUT THE TRUTH. THESE PROGRAMS TEACH CHILDREN, ADOLESCENTS, AND TEENS ABOUT THE DANGERS ASSOCIATED WITH TOBACCO USE. "TOXIC SOUP" IS A PROGRAM THAT ADDRESSES THE EFFECTS OF SECONDHAND SMOKE, WHICH IS A PROGRAM INCLUDED AT TIMES.

- APPROXIMATELY 219 CHILDREN ATTENDED OUR TEDDY BEAR CLINICS. THIS IS A PROGRAM THAT FAMILIARIZES CHILDREN WITH THE HOSPITAL EXPERIENCE.

- "BE SMART ABOUT BODY ART" WAS DEVELOPED IN 2007. IT EDUCATES TEENS ABOUT THE POTENTIAL DANGERS ASSOCIATED WITH BODY PIERCING AND TATTOOING. THIS PROGRAM HAS BEEN VERY SUCCESSFUL WITH OVER 393 TEENS BEING EDUCATED IN 2010.

- "HOW SWEET IT IS" WAS A NEW INTERACTIVE PROGRAM DEVELOPED THIS YEAR. THE PROGRAM EDUCATES CHILDREN AND ADULTS ON THE SUGAR CONTENT IN MANY OF THEIR FAVORITE DRINKS INCLUDING JUICE BOXES, SPORTS DRINKS, SODA, FLAVORED WATER, AND POPULAR COFFEE DRINKS.

Name of the organization: UPPER CHESAPEAKE MEDICAL CENTER

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- OVER 275 UNDERSERVED CHILDREN WERE FITTED AND GIVEN A BIKE HELMET THROUGH HEALTHLINK EVENTS IN 2010.

MORE THAN 6,000 HARFORD COUNTY CHILDREN PARTICIPATED IN ONE OF THE ABOVE LISTED CHILDREN'S PROGRAMS IN 2010.

VACCINES

COMMUNITY OUTREACH ADMINISTERED APPROXIMATELY 2,000 COMMUNITY FLU VACCINATIONS AND AN ADDITIONAL 56 H1N1 VACCINATIONS.

"DINING WITH DOCS" LECTURES

IN 2010, "DINING WITH DOCS" COMMUNITY LECTURES WERE HELD AT BOTH UPPER CHESAPEAKE MEDICAL CENTER AND HARFORD MEMORIAL. A TOTAL OF 138 COMMUNITY RESIDENTS ATTENDED THE LECTURES.

1N2N3N CANCER EVENT

FREE CANCER SCREENINGS WERE OFFERED AT A HALF DAY COUNTYWIDE CANCER EVENT. OVER EIGHT COUNTY AGENCIES PARTNERED WITH COMMUNITY OUTREACH TO PROVIDE CANCER EDUCATION AND SCREENINGS TO MORE THAN 178 COUNTY RESIDENTS. THE EVENT WAS HELD AT HARFORD COMMUNITY COLLEGE. THE KEYNOTE SPEAKER WAS JAYNE MILLER FROM CHANNEL 11 AND THREE OF UPPER CHESAPEAKE PHYSICIANS PROVIDED LECTURES ON CANCER SCREENINGS, ENVIRONMENTAL EFFECTS AND CANCER, AS WELL AS THE IMPORTANCE OF TAKING TIME FOR YOU.

HEALTHLINK COMMUNITY WELLNESS CENTER

Name of the organization	Employer identification number
UPPER CHESAPEAKE MEDICAL CENTER	52-1253920

IN 2010, THE HEALTHLINK COMMUNITY WELLNESS CENTER, WHICH OPERATES FROM THE HL MEDICAL MOBILE VAN, HAD 160 RESIDENTS PARTICIPATE IN ONE OF THE AVAILABLE HEALTH SCREENINGS OFFERED THROUGHOUT THE YEAR. A THIRD LOCATION AT CARDIFF SHOP RITE WAS ADDED MID-YEAR.

PRIMARY CARE CLINIC

THE HEALTHLINK PRIMARY CARE CLINIC (PCC) PROVIDED PRIMARY CARE ON A SLIDING FEE SCALE TO LOW INCOME ADULTS AGE 19 AND ABOVE WHO ARE UNINSURED OR UNDERINSURED AND MEET SPECIFIC INCOME CRITERIA. IN 2010, THE PCC HAD APPROXIMATELY 1,500 ESTABLISHED PATIENTS AND A TOTAL OF 3,890 PATIENT ENCOUNTERS, UP FROM 3,498 PATIENT VISITS IN 2009.

HEALTHLINK CALL CENTER

-IN 2010, OUR HEALTHLINK CALL CENTER HANDLED APPROXIMATELY 7,500 CALLS. THIS INCLUDED ALMOST 1,300 PHYSICIAN REFERRAL AND 2,600 SERVICE CALLS. A NEW CALL CENTER PROGRAM AND SOFTWARE, ECHO, WAS INSTALLED IN 2010.

- THE "FLU HOTLINE" WAS REINSTATED TO KEEP THE COMMUNITY BETTER INFORMED ABOUT THE LOCATIONS AND TIMES THAT FLU CLINICS WERE BEING HELD THROUGHOUT THE COUNTY. AS NEW INFORMATION BECAME AVAILABLE OR CHANGED, THE RECORDING ON THE HOTLINE WAS UPDATED SO THAT RESIDENTS COULD GET ACCURATE INFORMATION.

SUPPORT GROUPS

TWO HEALTHLINK RNS FACILITATE COUNTYWIDE SUPPORT GROUPS:CHD STROKE AND

Name of the organization: UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number: 52-1253920

DIABETES. BOTH GROUPS MEET MONTHLY; THE STROKE GROUP MEETS AT UCMC AND THE DIABETES GROUP MEETS AT THE ABERDEEN SENIOR CENTER. THE STROKE GROUP AVERAGES 12 PARTICIPANTS PER MEETING (144 PARTICIPANTS PER YEAR) AND THE DIABETES GROUP AVERAGES 17 PARTICIPANTS PER MEETING (204 PARTICIPANTS PER YEAR).

HEALTHLINK AND COMMUNITY HEALTH IMPROVEMENT COALITIONS AND COMMITTEES

- HARFORD COUNTY SCHOOL HEALTH BOARD
- HARFORD COUNTY TOBACCO COALITION
- HARFORD COUNTY CANCER COALITION
- HARFORD COUNTY HIGHWAY SAFETY COMMITTEE
- OFFICE ON AGING ADVISORY BOARD
- HARFORD COUNTY HOMELESS ADVISORY BOARD

ATTACHMENT 1

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

NAME AND ADDRESS	DESCRIPTION OF SERVICES	COMPENSATION
NORTHEAST BALTIMORE ACUTES/DAVITA PO BOX 89 BEL AIR, MD 21014	DIALYSIS SERVICES	374,489.
HASKINS, COOK & O'MARA 10845 PHILADELPHIA ROAD WHITE MARSH, MD 21162	PHYSICIAN FEES	396,070.
NORTHERN CHESAPEAKE ANESTHESIA ASSOC 500 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	PHYSICIAN FEES	2,188,648.
MEDQUIST TRANSCRIPTIONS LTD P.O. BOX 29307 NEW YORK, NY 10087	TRANSCRIPTION SRVS	351,203.
SHEPPARD PRATT HEALTH SYSTEM	BEHAVIOR HEALTH MGMT	341,189.

Name of the organization	Employer identification number
UPPER CHESAPEAKE MEDICAL CENTER	52-1253920

ATTACHMENT 1 (CONT'D)

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

NAME AND ADDRESS	DESCRIPTION OF SERVICES	COMPENSATION
6501 N. CHARLES STREET BALTIMORE, MD 21204		
	TOTAL COMPENSATION	3,651,599.

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization
UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number
52-1253920

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) UPPER CHESAPEAKE HEALTH SYSTEMS, INC. 52-1398513 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	HLTHCARE SVCS	MD	501(C)(3)	11C;III-FI	N/A		X
(2) UPPER CHESAPEAKE HEALTH FOUNDATION, INC. 52-1398507 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	FIN SUPPORT	MD	501(C)(3)	11A	UCHS		X
(3) UPPER CHESAPEAKE MEDICAL SERVICES, INC. 52-1501734 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	PHYSICIAN SVC	MD	501(C)(3)	9	UCHS/UMMS VN		X
(4) HARFORD MEMORIAL HOSPITAL, INC. 52-0591484 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	HOSPITAL CARE	MD	501(C)(3)	3	UCHS/UMMS VN		X
(5) UPPER CHESAPEAKE PROPERTIES, INC. 52-1907237 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	TITLE HOLDING	MD	501(C)(2)	N/A	UCHS/UMMS VN		X
(6) UPPER CHESAPEAKE/ST JOE'S HOME CARE, INC 52-1229742 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	HOSPICE CARE	MD	501(C)(3)	9	UCHS/UMMS VN		X
(7) UPPER CHESAPKE RESIDENTIAL HOSPICE HOUSE 26-0737028 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	HOSPICE CARE	MD	501(C)(3)	7	UCHS/UMMS VN		X

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization
UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number
52-1253920

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) HEALTHY HARFORD, INC. 52-1944325 2027 PULASKI HWY, SUITE 215 HAVRE DE GRACE, MD 21078	HEALTH INIATV	MD	501(C)(3)	7	N/A		X
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

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? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1)	UCHS/UMMS VENT, LLC 52-2178070 520 UPPER CHESAPEAKE	MEDICAL SERVICES	MD	N/A	N/A								
(2)	UCHS/UMMS REAL ESTATE TRUST 27 520 UPPER CHESAPEAKE DRIVE	HOLD LAND	MD	N/A	N/A								
(3)													
(4)													
(5)													
(6)													
(7)													

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1)	UPPER CHESAPEAKE HEALTH VENTURES, INC. 52-2031264 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	MISC. SERVICE	MD	N/A	C CORP			
(2)	UPPER CHESAPEAKE MED. OFFICE BLDG, INC. 52-1946829 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	REAL ESTATE	MD	N/A	C CORP			
(3)	UPPER CHESAPEAKE MGMT SVCS ORG, INC. 52-1946025 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	MANAGEMENT SVCS	MD	N/A	C CORP			
(4)	UC MEDICAL CENTER LAND CONDOMINIUM, INC. 77-0674478 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	REAL ESTATE	MD	N/A	C CORP			
(5)	UPPER CHESAPEAKE INSURANCE COMPANY, LTD. 98-0468438 P.O. BOX 1109 KY1-1102 GRAND CAYMAN, CAYMAN ISLANDS CJ	CAPTIVE INSURANCE	CJ	N/A	LTD.			
(6)								
(7)								

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

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

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

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

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(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.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										
(15)										
(16)										

Part VII **Supplemental Information**

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