

Form **990**

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)

OMB No. 1545-0047

2008

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

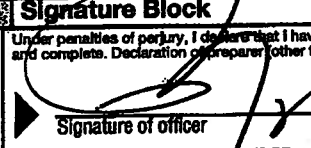
A For the 2008 calendar year, or tax year beginning **JUL 1, 2008** and ending **JUN 30, 2009**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization ANNE ARUNDEL MEDICAL CENTER, INC.	D Employer identification number 52-1169362
		Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 2001 MEDICAL PARKWAY	E Telephone number (443) 481-6555
		City or town, state or country, and ZIP + 4 ANNAPOLIS, MD 21401	G Gross receipts \$ 398,825,535.
		F Name and address of principal officer: ROBERT REILLY SAME AS C ABOVE	H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (3) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: ▶ WWW.AAHS.ORG			
K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1902 M State of legal domicile: MD	

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: TO PROVIDE COMPREHENSIVE HEALTH CARE FOR THE LOCAL AND REGIONAL COMMUNITY.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its 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	14
	5 Total number of employees (Part V, line 2a)	5	3415
	6 Total number of volunteers (estimate if necessary)	6	593
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	7,341,018.
b Net unrelated business taxable income from Form 990-T, line 34	7b	-764,990.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	1,935,248.	1,188,537.
	9 Program service revenue (Part VIII, line 2g)	350,518,262.	373,527,544.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	19,713,900.	9,658,078.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	16,169,023.	14,084,677.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	388,336,433.	398,458,836.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	178,587,543.	197,851,671.
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25)	169,643,284.	177,010,963.
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	348,230,827.	374,862,634.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	40,105,606.	23,596,202.	
19 Revenue less expenses. Subtract line 18 from line 12			
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year 635,835,457.	End of Year 772,752,339.
	21 Total liabilities (Part X, line 26)	305,245,099.	471,681,915.
	22 Net assets or fund balances. Subtract line 21 from line 20	330,590,358.	301,070,424.

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 **ROBERT REILLY, VICE PRESIDENT - FINANCE** Date **5/12/10**
Type or print name and title

Paid Preparer's Use Only	Preparer's signature LORI S. BURGHAEUSER	Date 05/12/10	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 SC&H TAX & ADVISORY SERVICES, LLC 910 RIDGEBROOK ROAD SPARKS, MARYLAND 21152	EIN ▶	Phone no. ▶ (410) 403-1500	

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

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission: SEE SCHEDULE O FOR CONTINUATION ANNE ARUNDEL MEDICAL CENTER'S ("AAMC") MISSION IS TO ENHANCE THE HEALTH OF THE PEOPLE IT SERVES AND AAMC'S VISION IS TO BE THE DESTINATION HEALTH SYSTEM IN ITS REGION. IN ADDITION TO TRADITIONAL PATIENT SERVICES LIKE DIAGNOSIS, TREATMENT AND REHABILITATION, AAMC

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 [X] 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 [X] 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.

SEE SCHEDULE O FOR CONTINUATION(S)

4a (Code:) (Expenses \$ 332302708. including grants of \$) (Revenue \$ 376837536.) INPATIENT

THE AAMC WOMEN'S AND CHILDREN'S CENTER OFFERS MULTIGENERATIONAL PROGRAMS TO SUPPORT A WOMAN FROM THE TIME SHE BEGINS GYNECOLOGICAL CARE THROUGH THE CHILDBEARING YEARS AND BEYOND. WE OFFER THE MOST COMPREHENSIVE WOMEN'S SERVICES; ALL-INCLUSIVE MATERNITY, NEWBORN AND PEDIATRIC CARE; ADVANCED TREATMENTS FOR ANY HEALTH CHALLENGES WOMEN AND THEIR FAMILIES MAY ENCOUNTER; AND EXTENSIVE SCREENING, PREVENTION AND WELLNESS PROGRAMS TO HELP THEM LEAD LONGER, HEALTHIER AND MORE FULFILLING LIVES.

AAMC IS KNOWN FOR EXCELLENCE IN OBSTETRICAL SERVICES, AND WE OFFER MOMS

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 \$ 332,302,708. (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>	X	
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? <i>If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i>	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>		X
13 Is the organization a school as described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?	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 U.S.? <i>If "Yes," complete Schedule F, Part I</i>	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? <i>If "Yes," complete Schedule F, Part II</i>		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? <i>If "Yes," complete Schedule F, Part III</i>		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20 Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>	X	
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25</i>	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>		X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X

Form 990 (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
	1a 301		
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?	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 3415		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	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)?	X	
b	If "Yes," enter the name of the foreign country: CAYMAN ISLANDS See the instructions for exceptions and 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?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6a	Did the organization solicit any contributions that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	X	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	X	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter: N/A		
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: N/A		
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?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year N/A		
	12b		

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

		Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body		15
1b	Enter the number of voting members that are independent		14
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?	X	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	a The governing body?	X	
8b	b Each committee with authority to act on behalf of the governing body?	X	
9a	Does the organization have local chapters, branches, or affiliates?		X
9b	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?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	X	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
15a	a The organization's CEO, Executive Director, or top management official?	X	
15b	b Other officers or key employees of the organization? Describe the process in Schedule O. (see instructions)	X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed 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. <input type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> 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: SANDRA HUFFER - (443) 481-6555 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401

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

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

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
MARTIN L. DOORDAN PRESIDENT	40.00	X		X			875,942.	0.	265,794.	
BIANA J. ARENTZ BOARD MEMBER	1.00	X					0.	0.	0.	
DOROTHY ELDER BOARD MEMBER	1.00	X					0.	0.	0.	
PAUL ELDER, M.D. BOARD MEMBER	1.00	X					0.	0.	0.	
ED GOSSELIN BOARD MEMBER	1.00	X					0.	0.	0.	
JASON GROVES BOARD MEMBER	1.00	X					0.	0.	0.	
BARRY JACKSON BOARD MEMBER	1.00	X					0.	0.	0.	
CHARLES R. LARSON ASSISTANT TREASURER	1.00	X		X			0.	0.	0.	
KENT MCNEW ASSISTANT SECRETARY	1.00	X		X			0.	0.	0.	
DOUG MITCHEL, M.D. BOARD MEMBER	1.00	X					0.	0.	0.	
GEORGE T. MORAN VICE CHAIRMAN	1.00	X		X			0.	0.	0.	
RICHARD J. MORGAN TREASURER	1.00	X		X			0.	0.	0.	
JAMES L. MYERS CHAIRMAN	1.00	X		X			0.	0.	0.	
CHRIS O'MEARA BOARD MEMBER	1.00	X					0.	0.	0.	
PATRICIA ROCHE SECRETARY	1.00	X		X			0.	0.	0.	
WILLIAM L. HUGHES CFO - PARTIAL YEAR	40.00			X			491,462.	0.	68,100.	
VICTORIA BAYLESS CHIEF OPERATING OFFICER	40.00			X			450,028.	0.	26,732.	

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

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ROBERT REILLY CFO - PARTIAL YEAR	40.00			X				276,906.	0.	38,649.
DOUGLAS A. ABEL CHIEF INFORMATION OFFICE	40.00			X				324,080.	0.	47,544.
SHERRY PERKINS CHIEF NURSING OFFICER	40.00			X				308,312.	0.	30,740.
PAULA WADLEY V.P.-CLINICAL & SUPPORT	40.00			X				282,169.	0.	49,979.
JOSEPH D. MOSER, M.D. V.P.-MEDICAL AFFAIRS	40.00					X		477,889.	0.	96,078.
LORRAINE TAFRA, M.D. DIRECTOR - BREAST CENTER	40.00					X		453,707.	0.	22,786.
CAROLYN CORE V.P.-STRATEGIC PLAN	40.00					X		379,553.	0.	72,417.
TITUS C. ABRAHAM, M.D. PHYSICIAN	40.00					X		325,142.	0.	20,025.
TIMOTHY G. WOODS, M.D. PHYSICIAN	40.00					X		308,340.	0.	22,663.
1b Total								4,953,530.	0.	761,507.

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization **199**

	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		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	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person		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
GILBANE BUILDING COMPANY P.O. BOX 6128, PROVIDENCE, RI 02940	CONSTRUCTION PROJECT MANAGEMENT	1,541,533.
VENABLE, LLP P.O. BOX 630798, BALTIMORE, MD 21263-0798	LEGAL FEES	1,250,186.
SLEEP SERVICES OF AMERICA, INC., 890 AIRPORT PARK ROAD, SUITE 119, GLEN BURNIE, CHILDRENS' NATIONAL MEDICAL CENTER, 111 MICHIGAN AVENUE, NW, WASHINGTON, DC 20010	SLEEP STUDIES	985,099.
INFORMED, LLC 1596 WHITEHALL ROAD, ANNAPOLIS, MD 21409	PEDIATRIC CARE MEDICAL PLAN SERVICES	944,680. 890,334.

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization **50**

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	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	1188537.				
	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			1,188,537.			
Program Service Revenue	2 a ANCILLIARY SERVICES	Business Code 621500	271887640.	266506566.	5381074.		
	b ADMISSION/ROOM CHARGES	621990	73420485.	73420485.			
	c EMERGENCY ROOM CHARGES	621990	24654212.	24654212.			
	d CAFETERIA	722210	2,469,621.			2469621.	
	e PATIENT EDUCATION/MISC	624100	1,095,586.	1,095,586.			
	f All other program service revenue						
	g Total. Add lines 2a-2f			373527544.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		9,646,028.			9646028.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross Rents	(i) Real	150,813.				
		(ii) Personal	172,400.				
	b Less: rental expenses		172,400.				
	c Rental income or (loss)		150,813.				
	d Net rental income or (loss)			150,813.		150,813.	
	7 a Gross amount from sales of assets other than inventory	(i) Securities					
		(ii) Other		12,050.			
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)			12,050.			
d Net gain or (loss)			12,050.		12,050.		
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a	203,743.					
b Less: direct expenses	b	194,299.					
c Net income or (loss) from fundraising events			9,444.		9,444.		
9 a Gross income from gaming activities. See Part IV, line 19	a						
b Less: direct expenses	b						
c Net income or (loss) from gaming activities							
10 a 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							
Miscellaneous Revenue		Business Code					
11 a MANAGEMENT SERVICES	812900	12810220.	11066570.	1743650.			
b ANSWERING/PAGING SERVI	812900	222,821.		222,821.			
c MISCELLANEOUS	900099	94,117.	94,117.				
d All other revenue	525990	797,262.		-6,527.	803,789.		
e Total. Add lines 11a-11d			13924420.				
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			398458836.	376837536.	7341018.	13091745.	

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				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	2,108,361.		2,108,361.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	155,378,011.	139,240,436.	16,137,575.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	5,499,682.	4,871,752.	627,930.	
9 Other employee benefits	23,554,704.	21,130,154.	2,424,550.	
10 Payroll taxes	11,310,913.	10,019,482.	1,291,431.	
11 Fees for services (non-employees):				
a Management				
b Legal	1,141,288.		1,141,288.	
c Accounting	193,023.		193,023.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	150,000.		150,000.	
g Other	27,809,735.	18,410,799.	9,398,936.	
12 Advertising and promotion	632,363.	632,363.		
13 Office expenses	12,725,525.	9,860,404.	2,865,121.	
14 Information technology	2,961,047.	202,888.	2,758,159.	
15 Royalties				
16 Occupancy	6,505,399.	4,841,363.	1,664,036.	
17 Travel	984,334.	891,691.	92,643.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	693,505.	530,231.	163,274.	
20 Interest	11,012,083.	10,603,414.	408,669.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	17,082,082.	17,082,082.		
23 Insurance	5,908,196.	5,317,376.	590,820.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a MEDICAL SUPPLIES	72,566,082.	72,566,082.		
b BAD DEBT EXPENSE	13,790,014.	13,790,014.		
c INSURANCE	0.			
d TEMPORARY AGENCY	2,856,287.	2,312,177.	544,110.	
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	374,862,634.	332,302,708.	42,559,926.	0.
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation ...				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	-1.
	2 Savings and temporary cash investments	708,374.	2	7,184,324.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	40,419,935.	4	38,264,513.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	5,927,834.	8	6,449,549.
	9 Prepaid expenses and deferred charges	3,085,942.	9	4,467,169.
	10a Land, buildings, and equipment: cost basis ... 10a 396,111,276.			
	b Less: accumulated depreciation. Complete Part VI of Schedule D ... 10b 131,259,231.			
		206,818,127.	10c	264,852,045.
	11 Investments - publicly traded securities	193,839,517.	11	150,800,100.
	12 Investments - other securities. See Part IV, line 11	27,483,148.	12	32,957,354.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11	157,552,580.	15	267,777,286.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	635,835,457.	16	772,752,339.	
Liabilities	17 Accounts payable and accrued expenses	68,335,828.	17	81,146,601.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	164,363,413.	20	336,733,202.
	21 Escrow 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	44,406,081.	23	5,974,782.
	24 Unsecured notes and loans payable		24	
25 Other liabilities. Complete Part X of Schedule D	28,139,777.	25	47,827,330.	
26 Total liabilities. Add lines 17 through 25	305,245,099.	26	471,681,915.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	296,248,537.	27	268,900,158.
	28 Temporarily restricted net assets	22,616,821.	28	20,558,266.
	29 Permanently restricted net assets	11,725,000.	29	11,612,000.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	330,590,358.	33	301,070,424.	
34 Total liabilities and net assets/fund balances	635,835,457.	34	772,752,339.	

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b	Were the organization's financial statements audited by an independent accountant?		X
c	If "Yes" to lines 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?		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b	If "Yes," did the organization undergo the required audit or audits?		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

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

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization **ANNE ARUNDEL MEDICAL CENTER, INC.** Employer identification number **52-1169362**

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: (Please check only **one** organization.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**. (Attach Schedule H.)
- 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 the Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**. (see instructions)
- 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?		
(ii) A family member of a person described in (i) above?		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		
- h Provide the following information about the organizations the organization supports.

(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	
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.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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 - 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) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	%
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2008. 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		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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 - 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 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
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) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%

19a 33 1/3% support tests - 2008. 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 - 2007. 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

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, and 990-PF.

OMB No. 1545-0047

2008

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number

52-1169362

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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

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

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

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

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

General Rule

For organizations 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

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/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 Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests 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 Form 990-EZ, that received from any one contributor, during the year, some 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. Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

Name of organization ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number 52-1169362
---	--

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	ANNE ARUNDEL MEDICAL CENTER FOUNDATION, INC. 2001 MEDICAL PARKWAY ANNAPOLIS, MD 21401	\$ 1,188,537.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

SCHEDULE C
(Form 990 or 990-EZ)

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

OMB No. 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **To be completed by organizations described below.**

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

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

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

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

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

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), then

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

Name of organization ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number 52-1169362
--	---

Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations.
See the instructions for Schedule C for details.

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

Part I-B To be completed by all organizations exempt under section 501(c)(3).
See the instructions for Schedule C for details.

- 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 To be completed by all organizations exempt under section 501(c), except section 501(c)(3).
See the instructions for Schedule C for details.

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

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

Part II-A To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details.

- 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												
1a Total lobbying expenditures to influence public opinion (grassroots lobbying)														
b Total lobbying expenditures to influence a legislative body (direct lobbying)														
c Total lobbying expenditures (add lines 1a and 1b)														
d Other exempt purpose expenditures														
e Total exempt purpose expenditures (add lines 1c and 1d)														
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:35%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width:65%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e.													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.													
Over \$17,000,000	\$1,000,000.													
g Grassroots nontaxable amount (enter 25% of line 1f)														
h Subtract line 1g from line 1a. Enter -0- if line g is more than line a														
i Subtract line 1f from line 1c. Enter -0- if line f is more than line c														
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes	<input type="checkbox"/> No												

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2008

Part II-B To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1j)?		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		51,017.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?		X	
i Other activities? If "Yes," describe in Part IV		X	
j Total lines 1c through 1i			51,017.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6). See the instructions for Schedule C for details.

	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 To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes." See Schedule C instructions for details.

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) non-deductible 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 (line 2c total minus 3 and 4)	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.

PART II-B, LINE 1(I), OTHER LOBBYING ACTIVITIES:

ANNE ARUNDEL MEDICAL CENTER, INC. EMPLOYS VALERIE OVERTON TO DIRECTLY CONTACT LEGISLATORS AT BOTH THE FEDERAL AND STATE LEVEL ON MATTERS AFFECTING HEALTH CARE, EDUCATION, COMMUNITY SERVICES AND RESEARCH PROGRAMS.

Schedule D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number

52-1169362

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

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

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

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

Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically important land area

Protection of natural habitat Preservation of certified historic structure

Preservation of open space

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

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

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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, violations, and enforcement of the conservation easements it holds?

Yes No

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

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

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

Yes No

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

- 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.
- b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
- (i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
- (ii) Assets included in Form 990, Part X ▶ \$ _____
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:
- a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
- b Assets included in Form 990, Part X ▶ \$ _____

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

- 3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Trust, Escrow and Custodial Arrangements. Complete if 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 Investment earnings or 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 Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		9,077,780.		9,077,780.
b Buildings		165,713,378.	36,289,826.	129,423,552.
c Leasehold improvements		3,618,146.	2,379,722.	1,238,424.
d Equipment		144,626,698.	91,421,815.	53,204,883.
e Other		73,075,274.	1,167,868.	71,907,406.
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				264,852,045.

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
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total. (Col (b) should 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
Total. (Col (b) should 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
LIMITED USE ASSETS	169,783,501.
DEFERRED DEBT ISSUE COSTS	8,644,197.
DUE FROM AFFILIATES	48,145,060.
NOTES RECEIVABLE FROM AFFILIATES	7,277,574.
BENEFICIAL INTEREST IN AAMC FOUNDATION	32,520,323.
FAIR VALUE OF CONTRACTS SFAS 133	1,406,631.
Total. (Column (b) should equal Form 990, Part X, col (B) line 15.) ▶	267,777,286.

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

(a) Description of liability	(b) Amount
Federal income taxes	
THIRD PARTY ADVANCE LIABILITIES	11,528,066.
FAIR VALUE OF CONTRACTS SFAS 113	36,299,264.
Total. (Column (b) should equal Form 990, Part X, col (B) line 25.) ▶	47,827,330.

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.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	398,458,836.
2	Total expenses (Form 990, Part IX, column (A), line 25)	374,862,634.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	23,596,202.
4	Net unrealized gains (losses) on investments	-33,839,789.
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	-19,276,347.
9	Total adjustments (net). Add lines 4-8	-53,116,136.
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	-29,519,934.

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

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

Part XIV Supplemental Information

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

PART X: ANNE ARUNDEL MEDICAL CENTER, INC. IS A SUBSIDIARY OF THE CONSOLIDATED GROUP KNOWN AS ANNE ARUNDEL HEALTH SYSTEM, INC. ("GROUP"). AN AUDIT WAS PERFORMED AND AUDITED FINANCIAL STATEMENTS WERE ISSUED FOR ANNE ARUNDEL HEALTH SYSTEM, INC. AND ITS SUBSIDIARIES ON A CONSOLIDATED BASIS. IN THE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR ANNE ARUNDEL HEALTH SYSTEM, INC., IT IS NOTED THAT THE GROUP ADOPTED FIN 48 ON JULY 1, 2007 AND THAT THE GROUP HAS DETERMINED THAT IT DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THROUGH JUNE 30, 2009.

Part XIV Supplemental Information (continued)

PART XI, LINE 8 - OTHER ADJUSTMENTS:

CHANGE IN BENEFICIAL INTEREST IN AAMC FOUNDATION, INC.: -2357842.

ADDITIONAL PAID IN CAPITAL - COTTAGE INSURANCE COMPANY, LTD: -261500.

TRANSFER FROM AAMC FOUNDATION, INC. TO AAMC, INC.: 8603248.

CHANGE IN ACCRUED PENSION LIABILITY: -12682421.

UNREALIZED LOSS FOR CONTRACTS UNDER SFAS 133: -17809889.

CHANGE IN INVESTMENT IN SUBSIDIARIES ON THE EQUITY METHOD: 5403742.

UNREALIZED LOSS FROM INVESTMENT IN PREMIER PURCHASING LP: -171685.

Multiple horizontal lines for supplemental information.

**Schedule F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990. Complete if the organization answered "Yes" to
Form 990, Part IV, line 14b, line 15, or line 16.**

Name of the organization	Employer identification number
ANNE ARUNDEL MEDICAL CENTER, INC.	52-1169362

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

1 For grantmakers. Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 For grantmakers. Describe in Part IV the organization's procedures for monitoring the use of grant funds outside the United States.

3 Activities per Region. (Use Schedule F-1 (Form 990) if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures in region
CENTRAL AMERICA AND THE CARIBBEAN	0	1	REINSURANCE EXPENSES		4,612,000.
Totals		1			4,612,000.

832071
12-18-08

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000

Use Schedule F-1 (Form 990) if additional space is needed.

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

2 Enter total number of organizations that are recognized as charities by the foreign country or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter **▲▲**

3 Enter total number of other organizations or entities **▲▲**

Part III Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 16.
Use Schedule F-1 (Form 990) if additional space is needed.

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

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

▶ **Attach to Form 990 or Form 990-EZ. Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than \$15,000 on Form 990-EZ, line 6a.**

OMB No. 1545-0047

2008

Open To Public Inspection

Name of the organization Employer identification number
ANNE ARUNDEL MEDICAL CENTER, INC. **52-1169362**

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

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

- | | |
|--|--|
| a <input type="checkbox"/> Mail solicitations | e <input type="checkbox"/> Solicitation of non-government grants |
| b <input type="checkbox"/> Email solicitations | f <input type="checkbox"/> Solicitation of government grants |
| c <input type="checkbox"/> Phone solicitations | g <input type="checkbox"/> Special fundraising events |
| d <input type="checkbox"/> In-person solicitations | |

2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? **Yes** **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total				▶		

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

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832081 12-18-08

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

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events (Add col. (a) through col. (c))	
		LIGHTS ON THE BAY (event type)		NONE (total number)		
Revenue	1	Gross receipts	203,743.		203,743.	
	2	Less: Charitable contributions				
	3	Gross revenue (line 1 minus line 2)	203,743.		203,743.	
Direct Expenses	4	Cash prizes				
	5	Non-cash prizes				
	6	Rent/facility costs				
	7	Other direct expenses	194,299.		194,299.	
	8	Direct expense summary. Add lines 4 through 7 in column (d)				(194,299.)
	9	Net income summary. Combine lines 3 and 8 in column (d)				9,444.

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

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

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? _____

b If "No," Explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? _____

b If "Yes," Explain: _____

11 Does the organization operate gaming activities with nonmembers? _____

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? _____

	Yes	No
9a		
10a		
11		
12		

13 Indicate the percentage of gaming activity operated in:

- a The organization's facility **13a** %
- b An outside facility **13b** %

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

Name ▶ _____

Address ▶ _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? **15a**

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

c If "Yes," enter name and address:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

- Director/officer Employee Independent contractor

17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? **17a**

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

	Yes	No
13a		
13b		
14		
15a		
16		
17a		

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

▶ **To be completed by organizations that answer "Yes" to Form 990, Part IV, line 20.**
▶ **Attach to Form 990.**

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization **ANNE ARUNDEL MEDICAL CENTER, INC.** Employer identification number **52-1169362**

Part I Charity Care and Certain Other Community Benefits at Cost (Optional for 2008)

	Yes	No
1a Does the organization have a charity care policy? If "No," skip to question 6a		
b If "Yes," is it a written policy?		
2 If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals. <input type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Applied uniformly to most hospitals <input type="checkbox"/> Generally tailored to individual hospitals		
3 Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients.		
a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %		
b Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		
c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.		
4 Does the organization's policy provide free or discounted care to the "medically indigent"?		
5a Does the organization budget amounts for free or discounted care provided under its charity care policy?		
b If "Yes," did the organization's charity care expenses exceed the budgeted amount?		
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a Does the organization prepare an annual community benefit report?		
b If "Yes," does the organization make it available to the public?		

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

7 Charity Care and Certain Other Community Benefits at Cost

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
Charity Care and Means-Tested Government Programs						
a Charity care at cost (from Worksheets 1 and 2)						
b Unreimbursed Medicaid (from Worksheet 3, column a)						
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs						
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)						
j Total Other Benefits						
k Total (line 7d and 7j)						

Part V Facility Information (Required for 2008)

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)
ANNE ARUNDEL MEDICAL CENTER, INC. 2001 MEDICAL PARKWAY ANNAPOLIS, MD 21401	X	X					X		

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Attach to Form 990. To be completed by organizations that
answered "Yes" to Form 990, Part IV, line 23.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number

52-1169362

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.		
<input type="checkbox"/> First-class or charter travel		
<input checked="" type="checkbox"/> Travel for companions		
<input type="checkbox"/> Tax indemnification and gross-up payments		
<input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Payments for business use of personal residence		
<input checked="" type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	X	
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?	X	
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.		
<input checked="" type="checkbox"/> Compensation committee		
<input checked="" type="checkbox"/> Independent compensation consultant		
<input type="checkbox"/> Form 990 of other organizations		
<input checked="" type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:		
a Receive a severance payment or change of control payment?		X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		X
c Participate in, or receive payment from, an equity-based compensation arrangement?		X
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.		
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?		X
b Any related organization?		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?		X
b Any related organization?		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	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 Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III		X

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

Schedule J (Form 990) 2008

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

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

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
MARTIN L. DOORDAN	(i) 584,758. (ii) 0. (iii) 0.	277,750. 0. 0.	13,434. 0. 0.	248,853.	16,941.	1,141,736.	0.
WILLIAM L. HUGHES	(i) 350,875. (ii) 0. (iii) 0.	133,172. 0. 0.	7,415. 0. 0.	59,139.	8,961.	559,562.	0.
VICTORIA BAYLESS	(i) 333,373. (ii) 0. (iii) 0.	115,004. 0. 0.	1,651. 0. 0.	21,579.	5,153.	476,760.	0.
ROBERT REILLY	(i) 206,849. (ii) 0. (iii) 0.	65,522. 0. 0.	4,535. 0. 0.	27,376.	11,273.	315,555.	0.
DOUGLAS A. ABEL	(i) 234,094. (ii) 0. (iii) 0.	86,537. 0. 0.	3,449. 0. 0.	31,892.	15,652.	371,624.	0.
SHERRY PERKINS	(i) 232,382. (ii) 0. (iii) 0.	72,772. 0. 0.	3,158. 0. 0.	29,712.	1,028.	339,052.	0.
PAULA WADLEY	(i) 218,578. (ii) 0. (iii) 0.	60,063. 0. 0.	3,528. 0. 0.	43,557.	6,422.	332,148.	0.
JOSEPH D. MOSER, M.D.	(i) 348,012. (ii) 0. (iii) 0.	115,508. 0. 0.	14,369. 0. 0.	80,569.	15,509.	573,967.	0.
LORRAINE TAFRA, M.D.	(i) 408,707. (ii) 0. (iii) 0.	45,000. 0. 0.	0. 0. 0.	12,489.	10,297.	476,493.	0.
CAROLYN CORE	(i) 271,259. (ii) 0. (iii) 0.	100,382. 0. 0.	7,912. 0. 0.	60,347.	12,070.	451,970.	0.
TITUS C. ABRAHAM, M.D.	(i) 295,292. (ii) 0. (iii) 0.	29,850. 0. 0.	0. 0. 0.	5,635.	14,390.	345,167.	0.
TIMOTHY G. WOODS, M.D.	(i) 278,627. (ii) 0. (iii) 0.	29,713. 0. 0.	0. 0. 0.	6,889.	15,774.	331,003.	0.
	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0.	0.	0.	0.
	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0.	0.	0.	0.
	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0.	0.	0.	0.
	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0.	0.	0.	0.
	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0.	0.	0.	0.
	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0.	0.	0.	0.
	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0.	0.	0.	0.
	(i) 0. (ii) 0. (iii) 0.	0. 0. 0.	0. 0. 0.	0.	0.	0.	0.

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.

PART I, LINE 1A: MARTIN DOORDAN'S EMPLOYMENT CONTRACT PROVIDES FOR THE BENEFITS NOTED ABOVE. THEY ARE INCLUDED AS PART OF HIS COMPENSATION PACKAGE AS WELL AS REPORTED ON HIS 2008 FORM W-2.

PART I, LINE 7: BONUS PAID BASED ON THE ACHIEVEMENT OF CERTAIN GOALS IN THE FURTHERANCE OF THE MISSION OF THE MEDICAL CENTER.

SCHEDULE K
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number
52-1169362

Part I Bond Issues (Required for 2008) SEE SCHEDULE O FOR COLUMN (F) CONTINUATIONS

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer	
							Yes	No	Yes	No
MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES						FINANCE ACQUISITION/CONSTRU				
A		52-0936091574216P76	07/01/98	69840000				X		X
MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES						FINANCE ACQUISITION/CONSTRU				
B		52-0936091574217NZ4	02/19/04	25570000				X		X
MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES						FINANCE ACQUISITION/CONSTRU				
C		52-0936091574217PA7	02/19/04	64600000				X		X
MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES						FINANCE ACQUISITION/CONSTRU				
D		52-09360915742173U7	01/29/09	120000000				X		X
MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES						FINANCE ACQUISITION/CONSTRU				
E		52-09360915742173V5	02/19/09	600000000				X		X

Part II Proceeds (Optional for 2008)

	A		B		C		D		E
	Yes	No	Yes	No	Yes	No	Yes	No	
1 Total proceeds of issue									
2 Gross proceeds in reserve funds									
3 Proceeds in refunding or defeasance escrows									
4 Other unspent proceeds									
5 Issuance costs from proceeds									
6 Working capital expenditures from proceeds									
7 Capital expenditures from proceeds									
8 Year of substantial completion									
9 Were the bonds issued as part of a current refunding issue?									
10 Were the bonds issued as part of an advance refunding issue?									
11 Has the final allocation of proceeds been made?									
12 Does the organization maintain adequate books and records to support the final allocation of proceeds?									

Part III Private Business Use (Optional for 2008)

	A		B		C		D		E
	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?									
2 Are there any lease arrangements with respect to the financed property which may result in private business use?									

832121 12-19-08 LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number

52-1169362

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

ALSO STRENGTHENS COMMUNITY HEALTH THROUGH COMPREHENSIVE HEALTH
MAINTENANCE AND EDUCATION OUTREACH.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS

MANY OPTIONS AS THEY MAKE INFORMED CHOICES DURING LABOR AND DELIVERY.

OUR GOAL IS FOR EACH MOTHER AND HER FAMILY TO FEEL RESPECTED AND TO

EXPERIENCE THE BIRTHING PROCESS AND POSTPARTUM EXPERIENCE THEY DESIRE.

ANNE ARUNDEL MEDICAL CENTER DELIVERS MORE THAN 5,600 BABIES EACH YEAR,

THE SECOND HIGHEST NUMBER OF DELIVERIES IN THE STATE OF MARYLAND.

ANNE ARUNDEL MEDICAL CENTER'S NEONATAL INTENSIVE CARE UNIT (NICU) IS

DESIGNATED AS A LEVEL IIIB NICU, AND IS ABLE TO CARE FOR THE MOST

CRITICALLY ILL NEWBORNS, ALLOWING BABIES BORN EARLY OR WITH

COMPLICATIONS TO STAY WITH THEIR MOTHERS AT AAMC. HOSPITALS THAT DO NOT

HAVE THIS LEVEL OF NICU CARE OFTEN MUST TRANSFER BABIES TO OTHER HEALTH

CARE FACILITIES, MEANING THAT MOTHERS AND BABIES CANNOT REMAIN

TOGETHER.

THE AAMC NICU, ALSO KNOWN AS "TEDDY'S PLACE," IS A STATE-OF-THE-ART

26-BED UNIT, EQUIPPED WITH LIFE-SAVING TECHNOLOGY AND STAFFED BY FULL-

AND PART-TIME NEONATOLOGISTS, NEONATAL NURSE PRACTITIONERS, AND NURSES

WITH SPECIALIZED NICU TRAINING. ON AVERAGE, 18 BABIES A DAY ARE CARED

FOR IN OUR NICU, AND APPROXIMATELY 10 PERCENT OF ALL BABIES DELIVERED

AT AAMC WILL SPEND SOME TIME IN THE NICU.

AT AAMC, THE CENTER FOR MATERNAL-FETAL MEDICINE OFFERS WOMEN THE

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

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number

52-1169362

HIGHEST LEVEL OF OBSTETRIC CARE, WITH THREE HIGHLY TRAINED PHYSICIANS
 ABLE TO PERFORM AND OVERSEE A WIDE RANGE OF COMPLICATIONS. SOME 85-100
 PATIENTS PER DAY COME TO THE AAMC CENTER FOR MATERNAL-FETAL MEDICINE,
 WHICH OFFERS REGIONAL CARE TO WOMEN FROM AS FAR AWAY AS DELAWARE AND
 CALVERT COUNTY, TO AS CLOSE AS ANNE ARUNDEL AND BALTIMORE COUNTIES.
 TYPICAL PATIENTS INCLUDE WOMEN WHO ARE CARRYING TWINS OR TRIPLETS,
 WOMEN REQUIRING DIABETES EDUCATION OR AMNIOCENTESIS, OR WOMEN WHO WILL
 BE 35 OR OLDER AT THE TIME OF DELIVERY. APPROXIMATELY 60 ULTRASOUNDS
 ARE PERFORMED AT THE ANNAPOLIS OFFICE EACH DAY.

THE AAMC WOMEN'S CENTER FOR PELVIC HEALTH PROVIDES COMPREHENSIVE AND
 INNOVATIVE PELVIC HEALTH CARE FOR WOMEN OF ALL AGES SUFFERING FROM
 PROBLEMS AND DISORDERS OF THE PELVIC REGION. OUR EXPERIENCED
 SPECIALISTS EMPLOY A COMPASSIONATE AND PROFESSIONAL APPROACH TO
 DIAGNOSE AND TREAT ALL COMPONENTS OF PELVIC PROBLEMS, WITH THE GOAL OF
 ENSURING WELLNESS AND MAINTAINING DIGNITY. THE AAMC WOMEN'S CENTER FOR
 PELVIC HEALTH ADDRESSES ISSUES INCLUDING: URINARY INCONTINENCE, PELVIC
 SUPPORT PROBLEMS, FECAL INCONTINENCE, CHILDBIRTH AND PREGNANCY RELATED
 PELVIC FLOOR DISORDERS, INCONTINENCE CLEARLY LINKED TO PROLAPSE OR
 PELVIC FLOOR DYSFUNCTION, AND PELVIC ORGAN PROLAPSE (CYSTOCELE,
 RECTOCELE, UTERINE, VAGINAL VAULT, PERINEAL).

STROKE

ANNE ARUNDEL MEDICAL CENTER HAS EARNED CERTIFICATION AS A PRIMARY
 STROKE CENTER FROM THE JOINT COMMISSION, AND WAS THE FIRST HOSPITAL IN

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

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number

52-1169362

THE REGION -- AND ONE OF THE FIRST EIGHT IN THE STATE -- TO HAVE EARNED THIS HIGHLY SPECIALIZED DESIGNATION. BECAUSE SUCCESSFUL TREATMENT OF STROKE PATIENTS IS SO TIME-CRITICAL, THE PRESENCE OF A CERTIFIED STROKE CENTER IN ANNE ARUNDEL COUNTY IS SIGNIFICANT FOR THE RESIDENTS OF THE REGION BECAUSE THEY NO LONGER HAVE TO WASTE PRECIOUS TIME AND TRAVEL 30 OR MORE MILES TO GET LIFE-SAVING TREATMENT.

THE JOINT COMMISSION CERTIFICATION MEANS AAMC HAS DEMONSTRATED THAT ITS STROKE PROGRAM FOLLOWS NATIONAL STANDARDS AND GUIDELINES THAT CAN SIGNIFICANTLY IMPROVE OUTCOMES FOR STROKE PATIENTS. IN MARYLAND, SOMEONE IS HOSPITALIZED FOR A STROKE EVERY 30 MINUTES AND SOMEONE DIES EVERY THREE HOURS, ACCORDING TO THE MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS (MIEMSS).

AAMC OFFERS TREATMENT WITH TPA - TISSUE PLASMINOGEN ACTIVATOR, A CLOT-BUSTING MEDICATION APPROVED FOR USE IN CERTAIN PATIENTS HAVING HEART ATTACK OR STROKE. ACCORDING TO THE AMERICAN HEART ASSOCIATION, TPA MUST BE GIVEN WITHIN A FEW HOURS AFTER SYMPTOMS BEGIN. THE PROCEDURE IS COMPLEX AND DONE THROUGH AN INTRAVENOUS (IV) LINE BY SPECIALLY TRAINED HOSPITAL PERSONNEL.

AAMC TREATS BETWEEN 400 AND 500 STROKE PATIENTS A YEAR.

SURGICAL SERVICES

AAMC SURGEONS PERFORM A VARIETY OF INPATIENT AND OUTPATIENT SURGICAL

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

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number

52-1169362

PROCEDURES FROM THE ROUTINE TO THE TECHNOLOGICALLY ADVANCED. IN ADDITION TO GENERAL SURGERIES, THEY SPECIALIZE IN BREAST, COLON AND RECTAL, ORTHOPEDIC, PEDIATRIC, RETINAL, THORACIC AND VASCULAR, UROLOGY AND EAR, NOSE AND THROAT SURGERY, AS WELL AS NEUROSURGERY AND PLASTIC SURGERY. BOARD-CERTIFIED ANESTHESIOLOGISTS PLAN AND SUPERVISE ANESTHESIA CARE FOR ALL PATIENTS. IN ADDITION, 24-HOUR PHYSICIAN CARE THROUGH THE HOSPITALIST AND INTENSIVIST PROGRAMS MEANS A DOCTOR IS ALWAYS NEARBY TO MAKE SURE RECOVERY FOR INPATIENTS IS PROGRESSING SMOOTHLY.

AT THE AAMC JOINT CENTER, OUR SURGEONS HOLD SUPERIOR CREDENTIALS AND MANY OF OUR SURGEONS SPECIALIZE IN KNEE AND HIP REPLACEMENT. OUR VOLUME OF SURGERY ALSO CONTRIBUTES TO OUR MEDICAL EXPERTISE. AAMC PERFORMS NEARLY 1,300 JOINT REPLACEMENTS PER YEAR, WHICH MAKES US CONSISTENTLY ONE OF THE HIGHEST VOLUME JOINT REPLACEMENT CENTERS IN THE STATE. FROM 2006-2008, AAMC PERFORMED MORE JOINT REPLACEMENTS THAN ANY OTHER HOSPITAL IN THE STATE.

JOINT CAMP

ANOTHER UNIQUE PART OF THE AAMC JOINT CENTER IS OUR "JOINT CAMP." AN IMPORTANT PART OF THE PROGRAM, THE JOINT CAMP GETS ITS NAME IN PART FROM THE SENSE OF SHARED EXPERIENCES, CAMARADERIE AND COMPANIONSHIP MANY PATIENTS FEEL TOWARD ONE ANOTHER. THE PHILOSOPHY OF JOINT CAMP IS THAT YOU AND YOUR FAMILY ARE NOT BYSTANDERS, BUT RATHER ACTIVE PARTICIPANTS WITH A COMMON GOAL. A TRAINED COORDINATOR HELPS GUIDE AND ASSIST YOU EVERY STEP OF THE WAY.

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Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number

52-1169362

OUTPATIENT

THE AAMC GEATON AND JOANN DECESARIS CANCER INSTITUTE AT ANNE ARUNDEL MEDICAL CENTER ENCOMPASSES A LARGE ARRAY OF SERVICES RANGING FROM PREVENTION, SCREENING, DIAGNOSIS AND TREATMENT THROUGH SURVIVORSHIP. MANY DIFFERENT TYPES OF PROFESSIONALS CONTRIBUTE TO THE CARE OF PATIENTS IN OUR PROGRAMS. IT IS OUR GOAL TO PROVIDE THE BEST EXPERIENCE POSSIBLE, NO MATTER WHERE OR HOW A PERSON ENCOUNTERS OUR CANCER CENTER SERVICES.

THE DECESARIS CANCER INSTITUTE WAS AWARDED THE COMMISSION ON CANCER (COC) OUTSTANDING ACHIEVEMENT AWARD FOR 2008 FOLLOWING AN INTENSIVE ON-SITE SURVEY COMPLETED IN NOVEMBER 2008.

IT IS ONE OF ONLY FOUR CANCER PROGRAMS IN MARYLAND - AND ONE OF ONLY 95 PROGRAMS NATIONWIDE - TO RECEIVE THE PRESTIGIOUS AWARD FROM THE COC, AN ORGANIZATION ESTABLISHED BY THE AMERICAN COLLEGE OF SURGEONS. THE AWARD WAS ESTABLISHED IN 1994 TO RECOGNIZE CANCER PROGRAMS DEMONSTRATING EXCELLENCE IN PROVIDING QUALITY CARE TO CANCER PATIENTS. A FACILITY RECEIVES THE AWARD ONLY IF DEMONSTRATING A "COMMENDATION" LEVEL OF COMPLIANCE WITH SEVEN COC-ESTABLISHED STANDARDS OF CARE. AAMC DEMONSTRATED COMMENDATION-LEVEL COMPLIANCE IN SIX AREAS; CANCER COMMITTEE LEADERSHIP, CANCER DATA MANAGEMENT, CLINICAL SERVICES, RESEARCH, COMMUNITY OUTREACH, AND QUALITY IMPROVEMENT.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

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ANNE ARUNDEL MEDICAL CENTER, INC.

THE AAMC BREAST CENTER IS NATIONALLY RECOGNIZED FOR ITS OUTSTANDING CARE, RESEARCH AND COMPREHENSIVE PROGRAMS. IT OFFERS KIND, SENSITIVE, AND TAILORED BREAST DISEASE TREATMENT AND CARE FOR WOMEN. WITH OUR HIGHLY EXPERIENCED BREAST SPECIALISTS AND SPECIALTY TRAINED STAFF PLUS STATE-OF-THE-ART FACILITIES, WE ARE A BREAST CENTER DEDICATED TO GIVING YOU NEW HOPE AND GOOD HEALTH.

IN THE SUMMER OF 2009, AAMC MADE A COMMITMENT TO FURTHER SERVE BREAST PATIENTS IN THE REGION BY OPENING A NEW, EXPANDED BREAST CENTER UNDER THE UMBRELLA OF THE DECESARIS CANCER INSTITUTE, AND ADDING A THIRD FELLOWSHIP-TRAINED BREAST SURGEON TO THE CARE TEAM.

THE CANCER INSTITUTE OFFERS A WIDE RANGE OF SUPPORT GROUPS TO PATIENTS AS A SOURCE OF COMFORT, ENCOURAGEMENT AND INFORMATION, AND AS A WAY TO CONNECT WITH OTHERS WHO KNOW WHAT THE PATIENTS ARE GOING THROUGH AS A PATIENT, FAMILY MEMBER OR CAREGIVER. SOME OF OUR SUPPORT GROUPS INCLUDE: GENERAL CANCER SUPPORT GROUP; MONTHLY LUNG CANCER SUPPORT GROUP; MOVING FORWARD, A MONTHLY MEETING FOR WOMEN DIAGNOSED WITH BREAST CANCER WITHIN THE LAST TWO YEARS; SISTER TO SISTER, PROVIDING SPECIALIZED SUPPORT FOR AFRICAN-AMERICAN WOMEN; AND SURVIVORS OFFERING SUPPORT, WHERE BREAST CANCER SURVIVORS ARE TRAINED TO PROVIDE ONE ON ONE MENTORING TO NEWLY DIAGNOSED PATIENTS THROUGH THEIR FIRST YEAR OF TREATMENT.

EMERGENCY SERVICES

THE AAMC EMERGENCY ROOM IS ONE OF THE BUSIEST IN THE AREA, SERVING MORE

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

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

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52-1169362

THAN 77,000 PATIENTS EACH YEAR. AAMC'S EMERGENCY DEPARTMENT EMPLOYS TRAINED PHYSICIANS, PHYSICIAN ASSISTANTS, AND NURSE PRACTITIONERS WHO ARE ON DUTY 24 HOURS A DAY, SEVEN DAYS A WEEK, AND SPECIALISTS ARE ON CALL FOR CONSULTATI

FORM 990, PART VI, SECTION A, LINE 2: DR. PAUL ELDER AND DOROTHY ELDER, WHO ARE HUSBAND AND WIFE, ARE BOTH BOARD MEMBERS OF ANNE ARUNDEL MEDICAL CENTER, INC.

FORM 990, PART VI, SECTION A, LINE 6: THE SOLE STOCKHOLDER OF THE ORGANIZATION IS THE ANNE ARUNDEL HEALTH SYSTEM, INC. ("AAHS"), A SECTION 501(C)(3) ENTITY THAT SERVES AS THE PARENT CORPORATION OF THE INTEGRATED HEALTH SYSTEM.

FORM 990, PART VI, SECTION A, LINE 7A: THE SOLE STOCKHOLDER OF THE ORGANIZATION IS THE ANNE ARUNDEL HEALTH SYSTEM, INC. ("AAHS"), A SECTION 501(C)(3) ENTITY THAT SERVES AS THE PARENT CORPORATION OF THE INTEGRATED HEALTH SYSTEM. AAHS HAS THE EXPRESS POWER AND RESPONSIBILITY TO ELECT AND REMOVE THE BOARD OF DIRECTORS AND OFFICERS OF THE CORPORATION.

FORM 990, PART VI, SECTION A, LINE 7B: THE SOLE STOCKHOLDER OF THE ORGANIZATION IS THE ANNE ARUNDEL HEALTH SYSTEM, INC. ("AAHS"), A SECTION 501(C)(3) ENTITY THAT SERVES AS THE PARENT CORPORATION OF THE INTEGRATED HEALTH SYSTEM. AAHS HAS THE EXPRESS POWER AND RESPONSIBILITY TO APPROVE DECISIONS OF THE BOARD OF DIRECTORS.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

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52-1169362

FORM 990, PART VI, SECTION A, LINE 10: THE BOARD HAS ASSIGNED RESPONSIBILITY FOR THE DETAILED REVIEW OF THE FORM 990 TO THE FINANCE AND AUDIT COMMITTEE OF ANNE ARUNDEL HEALTH SYSTEM, INC. (PARENT). THE FINANCE AND AUDIT COMMITTEE REVIEWS THE FORM 990 AND PROVIDES SUMMARY INFORMATION TO THE FULL BOARD. THE FORM 990 IS MADE AVAILABLE TO THE FULL BOARD FOR REVIEW.

FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATION REQUIRES THAT EACH MEMBER OF THE BOARD REVIEW THE ORGANIZATION'S CONFLICTS OF INTEREST POLICY ON AN ANNUAL BASIS AND RETURN AN ACKNOWLEDGEMENT OF RECEIPT AND DISCLOSURE OF ANY POTENTIAL CONFLICTS OF INTEREST. THE BOARD, MANAGEMENT AND THE ACCOUNTS PAYABLE FUNCTION MONITOR TRANSACTIONS FOR POTENTIAL EXCESS BENEFIT TRANSACTIONS/PRIVATE INUREMENT.

FORM 990, PART VI, SECTION B, LINE 15: ANNE ARUNDEL MEDICAL CENTER'S EXECUTIVE COMPENSATION COMMITTEE DETERMINES THE PRESIDENT'S COMPENSATION FOLLOWING THE IRC SECTION 4958 REBUTTABLE PRESUMPTION TEST. ALL OTHER COMPENSATION IS DETERMINED THROUGH CONSULTATION WITH AN INDEPENDENT OUTSIDE COMPENSATION CONSULTING FIRM.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE RETAINED IN THE FINANCE OFFICE AND ARE AVAILABLE FOR PUBLIC INSPECTION UPON REQUEST. FORM 990 IS AVAILABLE BY REQUEST TO THE FINANCIAL SERVICES OFFICE OR CAN BE OBTAINED ONLINE AT GUIDESTAR.ORG.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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2008

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ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number

52-1169362

FORM 990, PAGE 11, PART XI, LINE 2

ANNE ARUNDEL MEDICAL CENTER, INC. IS A SUBSIDIARY OF THE CONSOLIDATED GROUP KNOWN AS ANNE ARUNDEL HEALTH SYSTEM, INC. AN AUDIT WAS PERFORMED AND AUDITED FINANCIAL STATEMENTS WERE ISSUED FOR ANNE ARUNDEL HEALTH SYSTEM, INC. AND ITS SUBSIDIARIES ON A CONSOLIDATED BASIS. AUDITED FINANCIAL STATEMENTS WERE NOT PREPARED ON A SEPARATE BASIS FOR EACH ENTITY.

SCHEDULE K, PART I, BOND ISSUES:

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:

FINANCE ACQUISITION/CONSTRUCTION/EQUIPMENT OF NEW REPLACEMENT HOSPITAL

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:

FINANCE ACQUISITION/CONSTRUCTION/EQUIPMENT; REFUND 93 BONDS; FUND DEBT SVC

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:

FINANCE ACQUISITION/CONSTRUCTION/EQUIPMENT; REFUND 93 BONDS; FUND DEBT SVC

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:

FINANCE ACQUISITION/CONSTRUCT./RENOVATION/EQUIP.OF NEW & EXISTING FACILITIE

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number

52-1169362

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:

FINANCE ACQUISITION/CONSTRUCT./RENOVATION/EQUIP.OF NEW & EXISTING FACILITIE

FORM 990, PAGE 9, PART VIII, LINE 11

PAYROLL AND BENEFITS FOR ALL OFFICERS, DIRECTORS AND EMPLOYEES OF THE

CONSOLIDATED GROUP KNOWN AS ANNE ARUNDEL HEALTH SYSTEM, INC. IS

ADMINISTERED THROUGH ANNE ARUNDEL MEDICAL CENTER, INC. (AAMC)

AAMC SUBSEQUENTLY BILLS EACH ENTITY FOR THE AMOUNT OF WAGE AND BENEFIT

EXPENSE INCURRED BY THEM. THIS IS REPORTED ON THE FORM 990 AS

"MANAGEMENT SERVICES" ON PAGE 9.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
▶ See separate instructions.

OMB No. 1545-0047

2008

Open to Public
inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER, INC.

Employer identification number
52-1169362

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations

(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
ANNE ARUNDEL GENERAL TREATMENT SERVICES, INC. - 52-1722088, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	ALCOHOL & DRUG ABUSE TREATMENT SERVICES	MARYLAND	501(C)(3)	3	ANNE ARUNDEL MEDICAL CENTER, INC.
ANNE ARUNDEL HEALTH CARE SERVICES, INC. - 52-1467734, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	OUTPATIENT DIAGNOSTICS AND IMAGING SERVICES	MARYLAND	501(C)(3)	3	ANNE ARUNDEL MEDICAL CENTER, INC.
ANNE ARUNDEL HEALTH SYSTEMS, INC. - 52-1622253, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	SUPPORT HEALTH CARE RELATED ENTITIES	MARYLAND	501(C)(3)	9	N/A
ANNE ARUNDEL MEDICAL CENTER FOUNDATION, INC. - 52-1331298, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	SUPPORTING ORGANIZATION OF AAHS, INC AND SUBSIDIARIES	MARYLAND	501(C)(3)	11, TYPE II	ANNE ARUNDEL HEALTH SYSTEMS, INC.

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

Schedule R (Form 990) 2008

Part III Identification of Related Organizations Taxable as a Partnership

(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, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportion- ate allocations?		(I) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner?
							Yes	No		
MEDICAL OFFICE, LLC - 20-2290229, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	COMMERCIAL MEDICAL REAL ESTATE LEASING	MD	N/A	N/A	N/A	N/A			N/A	N/A
ANNAPOLIS EXCHANGE, LOT IV, LLC - 52-2020156, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	COMMERCIAL MEDICAL REAL ESTATE LEASING	MD	N/A	N/A	N/A	N/A			N/A	N/A
ANNAPOLIS EXCHANGE, LOT V, LLC - 52-2020157, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	COMMERCIAL MEDICAL REAL ESTATE LEASING	MD	N/A	N/A	N/A	N/A			N/A	N/A
KENT ISLAND MEDICAL ARTS, LLC - 26-0623450, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	COMMERCIAL MEDICAL REAL ESTATE LEASING	MD	N/A	N/A	N/A	N/A			N/A	N/A

Part IV Identification of Related Organizations Taxable as a Corporation or Trust

(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
ANNE ARUNDEL HEALTH CARE ENTERPRISES, INC. - 52-1646304, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	MEDICAL SERVICES	MD	N/A	C CORP	N/A	N/A	N/A
PAVILION PARK, INC. - 52-1890034 2001 MEDICAL PARKWAY ANNAPOLIS, MD 21401	REAL ESTATE LEASING	MD	N/A	C CORP	N/A	N/A	N/A
COTTAGE INSURANCE COMPANY, LTD. - 98-0461499 P.O. BOX 1109 GRAND CAYMAN, CAYMAN ISLANDS CJ KYI-110	CAPTIVE INSURER - PROFESSIONAL LIABILITY INSURANCE	CAYMAN I SLANDS		C CORP	1665000.	23924000.	100%

Part V Transactions With Related Organizations

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

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

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to other organization(s)		X
c Gift, grant, or capital contribution from other organization(s)	X	
d Loans or loan guarantees to or for other organization(s)	X	
e Loans or loan guarantees by other organization(s)	X	
f Sale of assets to other organization(s)		
g Purchase of assets from other organization(s)		X
h Exchange of assets		X
i Lease of facilities, equipment, or other assets to other organization(s)	X	
j Lease of facilities, equipment, or other assets from other organization(s)	X	
k Performance of services or membership or fundraising solicitations for other organization(s)		X
l Performance of services or membership or fundraising solicitations by other organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets		X
n Sharing of paid employees		X
o Reimbursement paid to other organization for expenses		
p Reimbursement paid by other organization for expenses	X	
q Other transfer of cash or property to other organization(s)	X	
r Other transfer of cash or property from other organization(s)	X	

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

(A) Name of other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1) ANNE ARUNDEL HEALTH CARE ENTERPRISES, INC.	I	125,600.
(2) ANNE ARUNDEL HEALTH CARE SERVICES, INC.	I	10,200.
(3) PAVILION PARK, INC.	I	150,813.
(4) KENT ISLAND MEDICAL ARTS, LLC	J	106,372.
(5) ANNE ARUNDEL HEALTH CARE ENTERPRISES, INC.	J	8,624.
(6) ANNE ARUNDEL HEALTH CARE ENTERPRISES, INC.	O	628,317.

Part VI Unrelated Organizations Taxable as a Partnership

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) Dispropor- tionate 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

Part II Continuation of Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
ANNE ARUNDEL REAL ESTATE HOLDING COMPANY, INC. - 52-1622251, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	REAL ESTATE HOLDING COMPANY	MARYLAND	501(C)(2)		ANNE ARUNDEL HEALTH SYSTEMS, INC.
ANNE ARUNDEL HEALTH SYSTEM RESEARCH INSTITUTE, INC. - 26-3038406, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	MEDICAL RESEARCH	MARYLAND	501(C)(3)	4	ANNE ARUNDEL HEALTH SYSTEMS, INC.

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(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, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V-UBI amount on Box 20 of K-1	(J) General or managing partner?
							Yes	No		
BLUE BUILDING, LLC - 26-3525250, 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	COMMERCIAL MEDICAL REAL ESTATE LEASING	MD	N/A	N/A	N/A	N/A		N/A	N/A	N/A

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

	(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(7)	ANNE ARUNDEL HEALTH CARE ENTERPRISES, INC.	P	112,000.
(8)	ANNE ARUNDEL HEALTH CARE SERVICES, INC.	P	6,176,212.
(9)	ANNE ARUNDEL GENERAL TREATMENT SERVICES	P	3,629,218.
(10)	PAVILION PARK, INC.	P	615,290.
(11)	PAVILION PARK, INC.	J	995,934.
(12)	ANNE ARUNDEL REAL ESTATE HOLDING CO., INC.	P	1,206,057.
(13)	COTTAGE INSURANCE COMPANY, LTD.	Q	4,612,000.
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			



901 MARQUETTE AVENUE S., SUITE 2100
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MEMORANDUM

TO: Nancy Luttrell
Vice President - Human Resources
Anne Arundel Medical Center

FROM: Darci Landvick
Integrated Healthcare Strategies

DATE: December 19, 2008

RE: Anne Arundel Medical Center Executive Benefit Plan
Loan Regime - Survivor Benefits
Loan Regime Non-recourse Split Dollar Filing Requirement

See Attached,

Enclosed please find a participant memo(s) and four Representation Regarding Non-recourse Split Dollar Loan Forms for the participant(s) referenced on the following page.

The IRS requires that a copy of the representation form be attached to both the employee's and employer's Federal income tax return (or applicable tax documents) for any year in which the employer pays a premium under the survivor arrangement.

Please have a corporate officer sign all of the representation form documents on behalf of the organization (as employer) and forward to the appropriate participant for their signature (as employee), along with the enclosed memo of instruction. The participant should also sign all documents, keep two of the signed documents and return the other two to your attention. You will each attach one original representation form to your Federal income tax return (or applicable tax documents) and retain one signed copy for your records.

Once complete, please sign the enclosed certification form (certifying that you have forwarded the documents to the appropriate individuals listed) and return it in the envelope provided.

If questions arise, please don't hesitate to contact me at (800) 327-9335.

Thank you!

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REPRESENTATION UNDER TREAS. REG. § 1.7872-15(D)(2)
REGARDING NONRECOURSE SPLIT-DOLLAR LOAN

Employee

Employer

Martin "Chip" L. Doordan

Anne Arundel Medical Center

Name

Name

4908 Sudleys Choice Lane

2001 Medical Parkway

Street

Street

Harwood, MD 20776-

Annapolis, MD 21401

City/State/Zip

City/State/Zip

52-1169362

Social Security Number

Employer Identification Number


The Employer has paid one or more premiums into a life insurance policy owned by the Employee. The premiums are split dollar loans under Treas. Reg. § 1.7872-15. The loans are nonrecourse.

The Employer and Employee represent that a reasonable person would expect that all payments under the loan(s) will be made.

Employee Signature:

Employer Signature:



By 
Its Vice President - Human Resources

Date: 1/9/09

Date: 1/9/09

SIGN TWO COPIES OF THIS FORM - SEE BELOW.

Note: Current IRS regulations require the following:

1. The employer and the employee must each sign this representation not later than the last day (including extensions) for filing the Federal income tax return of the employer or the employee (whichever is earlier) for the taxable year in which the employer pays the first premium under the arrangement.
2. The employer and the employee must each keep an original signed copy of this representation as part of their books and records.
3. The employer and the employee must each attach a copy of this representation to their Federal income tax returns for any taxable year in which the employer pays a premium under the arrangement.

Annual Representation Regarding Non-recourse Split Dollar Loan Form Certification

Calendar Year: January 1, 2008 - December 31, 2008

Anne Arundel Medical Center
Martin "Chip" L. Doordan

I certify that I have forwarded forms to the participant(s) noted above, for their signature. Once the documents are executed, I will retain two executed copies for Anne Arundel Medical Center; one for their tax return or applicable tax documents and one for their records.



Nancy Luttrell, Vice President - Human Resources

1/12/09

Date