

Form **990**

## Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

**2020**

Department of the Treasury  
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Open to Public Inspection

**A** For the 2020 calendar year, or tax year beginning **OCT 1, 2020** and ending **SEP 30, 2021**

<b>B</b> Check if applicable:  <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>Brattleboro Memorial Hospital</b> Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>17 Belmont Avenue</b> City or town, state or province, country, and ZIP or foreign postal code <b>Brattleboro, VT 05301</b>	<b>D</b> Employer identification number <b>03-0107300</b>  <b>E</b> Telephone number <b>(802) 257-0341</b>
	<b>F</b> Name and address of principal officer: <b>Christopher Dougherty same as C above</b>	<b>G</b> Gross receipts \$ <b>100,633,156.</b> <b>H(a)</b> Is this a group return for subordinates? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions <b>H(c)</b> Group exemption number ▶
	<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	
	<b>J</b> Website: ▶ <b>www.bmhvt.org</b>	
	<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	<b>L</b> Year of formation: <b>1904</b> <b>M</b> State of legal domicile: <b>VT</b>

**Part I Summary**

	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>To provide health care services on a region-wide basis</b>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
Activities & Governance	<b>3</b> Number of voting members of the governing body (Part VI, line 1a) .....	<b>3</b>	<b>11</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) .....	<b>4</b>	<b>7</b>
	<b>5</b> Total number of individuals employed in calendar year 2020 (Part V, line 2a) .....	<b>5</b>	<b>821</b>
	<b>6</b> Total number of volunteers (estimate if necessary) .....	<b>6</b>	<b>67</b>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 .....	<b>7a</b>	<b>0.</b>
	<b>b</b> Net unrelated business taxable income from Form 990-T, Part I, line 11 .....	<b>7b</b>	<b>0.</b>
Revenue	<b>8</b> Contributions and grants (Part VIII, line 1h) .....	<b>Prior Year</b> 20,725,615.	<b>Current Year</b> 924,035.
	<b>9</b> Program service revenue (Part VIII, line 2g) .....	79,213,594.	92,957,041.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) .....	699,642.	1,340,256.
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) .....	-212,777.	-236,728.
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) .....	100,426,074.	94,984,604.
Expenses	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3) .....	53,287.	18,200.
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) .....	0.	0.
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) .....	52,181,887.	54,080,164.
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) .....	0.	0.
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ .....	0.	
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) .....	39,940,242.	40,787,164.
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) .....	92,175,416.	94,885,528.	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12 .....	8,250,658.	99,076.	
Net Assets or Fund Balances	<b>20</b> Total assets (Part X, line 16) .....	<b>Beginning of Current Year</b> 101,084,231.	<b>End of Year</b> 104,110,921.
	<b>21</b> Total liabilities (Part X, line 26) .....	30,528,630.	29,441,456.
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20 .....	70,555,601.	74,669,465.

**Part II Signature Block**

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

<b>Sign Here</b>	Signature of officer <b>Christopher Dougherty, President &amp; CEO</b> Type or print name and title	Date _____			
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>Barbara J. McGuan, CPA</b>	Preparer's signature <b>Barbara J. McGuan, C</b>	Date <b>08/12/22</b>	Check if self-employed <input type="checkbox"/>	PTIN <b>P00219457</b>
	Firm's name ▶ <b>Berry Dunn McNeil &amp; Parker, LLC</b>	Firm's EIN ▶ <b>01-0523282</b>			
	Firm's address ▶ <b>2211 Congress St Portland, ME 04102</b>	Phone no. (207) 775-2387			

May the IRS discuss this return with the preparer shown above? See instructions  Yes  No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission: Brattleboro Memorial Hospital will provide community-based quality health services delivered with compassion and respect.

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

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

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

4a (Code: ) (Expenses \$ 79,930,241. including grants of \$ 18,200. ) (Revenue \$ 92,957,041. ) Provision of Hospital Care, both inpatient and outpatient services, on a region-wide basis. BMH provided healthcare services to approximately 1,866 inpatients and 151,752 outpatients throughout the year.

Brattleboro Memorial Hospital is a modern, well-equipped and professionally staffed community hospital which has been serving greater Brattleboro and the tri-state area since 1904. Throughout our more than a century of caring for our community, BMH has kept up with medical technology which, in turn, has drawn excellent physicians to our facility. The BMH Medical Staff boasts more than 100 board-certified physicians, active in both primary care and many specialties.

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

The Hospital's charity care program is designed to assist those patients who are either uninsured, underinsured or have limited financial resources that impact their ability to fully pay for their hospital care. Before completing an application for charity care, patients are first asked to investigate whether or not they may be eligible for Medicare, Medicaid, Veteran's Benefits or other governmental or public assistance programs.

The Hospital's qualifications for charity care are as follows:

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

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

4e Total program service expenses 79,930,241.

**Part IV Checklist of Required Schedules**

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

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Question Text, Yes, No. Rows 22-38 covering various organizational requirements.

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with 3 columns: Question ID, Question Text, Yes, No. Rows 1a-1c regarding Form 1096, Forms W-2G, and backup withholding rules.

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

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

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (11), 1b (7), 2 (X), 3 (X), 4 (X), 5 (X), 6 (X), 7a (X), 7b (X), 8a (X), 8b (X), 9 (X).

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

Table with 3 columns: Question, Yes, No. Rows include: 10a (X), 10b, 11a (X), 11b, 12a (X), 12b (X), 12c (X), 13 (X), 14 (X), 15a (X), 15b (X), 16a (X), 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed None
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records

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

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

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

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

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

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Elizabeth McLarney, M.D. Board Member	40.00 1.00	X					776,044.	0.	48,242.	
(2) Michael Wack Staff MD Ortho	40.00 0.00				X		418,198.	0.	36,927.	
(3) Steven Gordon President & CEO	40.00 2.00			X			0.	387,796.	37,719.	
(4) Craig A. Rinder Staff MD Urology	40.00 0.00				X		396,244.	0.	16,041.	
(5) Gregory R. Gadowski General Surgeon	30.00 0.00				X		362,300.	0.	44,883.	
(6) Kathleen McGraw Chief Medical Officer	40.00 0.00			X			338,349.	0.	48,782.	
(7) Aida Avdic Hospitalist	40.00 0.00				X		313,307.	0.	48,782.	
(8) John J. Cope General Surgeon	36.00 0.00				X		332,835.	0.	26,206.	
(9) Michael Rogers VP of Finance & Treasurer	40.00 2.00			X			0.	219,866.	46,241.	
(10) Tony Blofson, M.D. Board Member	40.00 1.00	X					201,611.	0.	40,293.	
(11) Andre Bissonette CFO	40.00 2.00			X			0.	211,063.	9,612.	
(12) Jodi Stack VP Patient Care Services	40.00 0.00				X		177,620.	0.	21,479.	
(13) George Idelkope, M.D. Board Member	1.00 1.00	X					38,203.	7,000.	0.	
(14) William Daley Board Chair	4.00 1.00	X		X			0.	0.	0.	
(15) Rhonda Calhoun Board Vice Chair	1.00 1.00	X		X			0.	0.	0.	
(16) Michael Mandracchia Board Secretary	1.00 1.00	X		X			0.	0.	0.	
(17) Stephen Phillips Board Member	1.00 1.00	X					0.	0.	0.	

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) John V.P. Meyer Board Member	1.00 1.00	X						0.	0.	0.
(19) Sarah Swank Board Member	1.00 1.00	X						0.	0.	0.
(20) Patty O'Donnell Past Board Member	1.00 1.00	X						0.	0.	0.
(21) Donna McElligott Past Board Member	1.00 1.00	X						0.	0.	0.
<b>1b Subtotal</b> .....								3,354,711.	825,725.	425,207.
<b>c Total from continuation sheets to Part VII, Section A</b> .....								0.	0.	0.
<b>d Total (add lines 1b and 1c)</b> .....								3,354,711.	825,725.	425,207.

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **85**

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

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
Dartmouth-Hitchcock Keene 580-90 Court Street, Keene, NH 03431	Emergency Physician Services	3,907,471.
Dartmouth-Hitchcock One Medical Center Drive, Lebanon, NH 03766	Contracted Physician Services	1,653,246.
Southern VT Health Services Corp. 17 Belmont Avenue, Brattleboro, VT 05301	Management Fees	1,631,124.
HP Cummings Construction PO Box 269, Woodsville, NH 03785	Construction Services	980,238.
Anesthesia Physicians of Brattleboro 17 Belmont Avenue, Brattleboro, VT 05301	Physician Services	945,988.

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **23**



**Part VIII Statement of Revenue**

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

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	<b>1 a</b> Federated campaigns .....	<b>1a</b>					
	<b>b</b> Membership dues .....	<b>1b</b>					
	<b>c</b> Fundraising events .....	<b>1c</b>					
	<b>d</b> Related organizations .....	<b>1d</b>	224,429.				
	<b>e</b> Government grants (contributions) .....	<b>1e</b>	441,261.				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above ...	<b>1f</b>	258,345.				
	<b>g</b> Noncash contributions included in lines 1a-1f	<b>1g</b>	\$				
	<b>h Total.</b> Add lines 1a-1f .....			924,035.			
Program Service Revenue	<b>2 a</b> Patient Service Revenue	Business Code					
		621400	195,054,997.	195,054,997.			
	<b>b</b> Miscellaneous Revenue	900099	18,444,920.	18,159,518.		285,402.	
	<b>c</b> Meaningful Use Revenue	900099	68,000.	68,000.			
	<b>d</b> Contractual/Char. Adj.	621400	-120610876.	-120610876.			
	<b>e</b> _____						
	<b>f</b> All other program service revenue .....						
<b>g Total.</b> Add lines 2a-2f .....			92,957,041.				
Other Revenue	<b>3</b> Investment income (including dividends, interest, and other similar amounts) .....		368,600.			368,600.	
	<b>4</b> Income from investment of tax-exempt bond proceeds .....						
	<b>5</b> Royalties .....						
	<b>6 a</b> Gross rents .....	<b>6a</b>	(i) Real				
				113,484.			
			(ii) Personal				
	<b>b</b> Less: rental expenses ...	<b>6b</b>	350,212.				
	<b>c</b> Rental income or (loss)	<b>6c</b>	-236,728.				
	<b>d</b> Net rental income or (loss) .....			-236,728.		-236,728.	
	<b>7 a</b> Gross amount from sales of assets other than inventory	<b>7a</b>	(i) Securities				
				6,269,096.	900.		
			(ii) Other				
	<b>b</b> Less: cost or other basis and sales expenses .....	<b>7b</b>	5,296,529.	1,811.			
<b>c</b> Gain or (loss) .....	<b>7c</b>	972,567.	-911.				
<b>d</b> Net gain or (loss) .....			971,656.		971,656.		
<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 .....	<b>8a</b>						
<b>b</b> Less: direct expenses .....	<b>8b</b>						
<b>c</b> Net income or (loss) from fundraising events .....							
<b>9 a</b> Gross income from gaming activities. See Part IV, line 19 .....	<b>9a</b>						
<b>b</b> Less: direct expenses .....	<b>9b</b>						
<b>c</b> Net income or (loss) from gaming activities .....							
<b>10 a</b> Gross sales of inventory, less returns and allowances .....	<b>10a</b>						
<b>b</b> Less: cost of goods sold .....	<b>10b</b>						
<b>c</b> Net income or (loss) from sales of inventory .....							
Miscellaneous Revenue	<b>11 a</b> _____	Business Code					
	<b>b</b> _____						
	<b>c</b> _____						
	<b>d</b> All other revenue .....						
	<b>e Total.</b> Add lines 11a-11d .....						
<b>12 Total revenue.</b> See instructions .....			94,984,604.	92,671,639.	0.	1,388,930.	

**Part IX Statement of Functional Expenses**

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...	18,200.	18,200.		
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22 .....				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 .....				
<b>4</b> Benefits paid to or for members .....				
<b>5</b> Compensation of current officers, directors, trustees, and key employees .....	1,690,622.	1,690,622.		
<b>6</b> Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....				
<b>7</b> Other salaries and wages .....	44,853,475.	39,036,758.	5,816,717.	
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,636,091.	1,424,630.	211,461.	
<b>9</b> Other employee benefits .....	2,958,954.	2,574,284.	384,670.	
<b>10</b> Payroll taxes .....	2,941,022.	2,572,218.	368,804.	
<b>11</b> Fees for services (nonemployees):				
<b>a</b> Management .....	1,320,000.		1,320,000.	
<b>b</b> Legal .....	142,010.		142,010.	
<b>c</b> Accounting .....	79,900.		79,900.	
<b>d</b> Lobbying .....				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees .....	81,851.		81,851.	
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	12,202,304.	9,523,420.	2,678,884.	
<b>12</b> Advertising and promotion .....	130,258.	114,066.	16,192.	
<b>13</b> Office expenses .....	3,992,328.	3,496,042.	496,286.	
<b>14</b> Information technology .....				
<b>15</b> Royalties .....				
<b>16</b> Occupancy .....	1,767,723.	1,748,876.	18,847.	
<b>17</b> Travel .....	106,316.	93,100.	13,216.	
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
<b>19</b> Conferences, conventions, and meetings .....				
<b>20</b> Interest .....	146,042.	83,413.	62,629.	
<b>21</b> Payments to affiliates .....				
<b>22</b> Depreciation, depletion, and amortization .....	3,783,369.	1,213,988.	2,569,381.	
<b>23</b> Insurance .....	582,349.	509,957.	72,392.	
<b>24</b> Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
<b>a</b> <b>Drugs</b> .....	5,691,814.	5,691,814.		
<b>b</b> <b>Provider Taxes</b> .....	4,680,807.	4,680,807.		
<b>c</b> <b>Medical Supplies</b> .....	4,054,387.	3,681,462.	372,925.	
<b>d</b> <b>Other Expenses</b> .....	2,025,706.	1,776,584.	249,122.	
<b>e</b> All other expenses .....				
<b>25</b> <b>Total functional expenses.</b> Add lines 1 through 24e	94,885,528.	79,930,241.	14,955,287.	0.
<b>26</b> <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				
Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

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

		(A)		(B)
		Beginning of year		End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	20,789,148.	<b>1</b>	5,505,198.
	<b>2</b> Savings and temporary cash investments .....	22,727,144.	<b>2</b>	19,880,968.
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>	
	<b>4</b> Accounts receivable, net .....	9,254,257.	<b>4</b>	15,993,509.
	<b>5</b> Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) .....		<b>6</b>	
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>	
	<b>8</b> Inventories for sale or use .....	2,601,993.	<b>8</b>	2,323,849.
	<b>9</b> Prepaid expenses and deferred charges .....	224,838.	<b>9</b>	524,828.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 87,476,917.		
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 56,418,432.		
	<b>11</b> Investments - publicly traded securities .....	24,264,714.	<b>10c</b>	31,058,485.
	<b>12</b> Investments - other securities. See Part IV, line 11 .....	19,084,844.	<b>11</b>	26,993,650.
	<b>13</b> Investments - program-related. See Part IV, line 11 .....	899,193.	<b>12</b>	1,009,421.
	<b>14</b> Intangible assets .....	1,238,100.	<b>13</b>	
	<b>15</b> Other assets. See Part IV, line 11 .....	0.	<b>14</b>	725,840.
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 33) .....	101,084,231.	<b>15</b>	95,173.	
		<b>16</b>	104,110,921.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	15,020,016.	<b>17</b>	14,940,749.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....	287.	<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities .....	8,108,900.	<b>20</b>	8,276,020.
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>	
	<b>22</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....		<b>23</b>	29,036.
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	7,399,427.	<b>25</b>	6,195,651.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 .....	30,528,630.	<b>26</b>	29,441,456.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27, 28, 32, and 33.</b>			
	<b>27</b> Net assets without donor restrictions .....	69,604,253.	<b>27</b>	73,605,412.
	<b>28</b> Net assets with donor restrictions .....	951,348.	<b>28</b>	1,064,053.
	<b>Organizations that do not follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 29 through 33.</b>			
	<b>29</b> Capital stock or trust principal, or current funds .....		<b>29</b>	
	<b>30</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>30</b>	
	<b>31</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>31</b>	
	<b>32</b> Total net assets or fund balances .....	70,555,601.	<b>32</b>	74,669,465.
	<b>33</b> Total liabilities and net assets/fund balances .....	101,084,231.	<b>33</b>	104,110,921.

**Part XI Reconciliation of Net Assets**

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	94,984,604.
2	Total expenses (must equal Part IX, column (A), line 25)	2	94,885,528.
3	Revenue less expenses. Subtract line 2 from line 1	3	99,076.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	70,555,601.
5	Net unrealized gains (losses) on investments	5	3,803,188.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	211,600.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	74,669,465.

**Part XII Financial Statements and Reporting**

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

- 1 Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant? .....  
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b Were the organization's financial statements audited by an independent accountant? .....  
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? .....  
If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? .....
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits .....

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

Form 990 (2020)



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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
<b>7</b> Amounts from line 4 .....						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					12	
<b>13 First 5 years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

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

<b>14</b> Public support percentage for 2020 (line 6, column (f), divided by line 11, column (f)) .....	14	%
<b>15</b> Public support percentage from 2019 Schedule A, Part II, line 14 .....	15	%
<b>16a 33 1/3% support test - 2020.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 33 1/3% support test - 2019.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>17a 10% -facts-and-circumstances test - 2020.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 10% -facts-and-circumstances test - 2019.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		<input type="checkbox"/>

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose .....						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 through 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
<b>9</b> Amounts from line 6 .....						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						

**14 First 5 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**

<b>15</b> Public support percentage for 2020 (line 8, column (f), divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2019 Schedule A, Part III, line 15 .....	<b>16</b>	%

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

<b>17</b> Investment income percentage for 2020 (line 10c, column (f), divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from 2019 Schedule A, Part III, line 17 .....	<b>18</b>	%

**19a 33 1/3% support tests - 2020.** 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 - 2019.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ..... ►

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

**Part IV Supporting Organizations**

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

**Section A. All Supporting Organizations**

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



**Part IV Supporting Organizations** (continued)

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

**Section B. Type I Supporting Organizations**

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

**Section C. Type II Supporting Organizations**

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

**Section D. All Type III Supporting Organizations**

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

**Section E. Type III Functionally Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).		
<b>2</b> Activities Test. Answer lines 2a and 2b below.		
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>	Yes	No
<b>2a</b>		
<b>b</b> Did the activities described in line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
<b>2b</b>		
<b>3</b> Parent of Supported Organizations. Answer lines 3a and 3b below.		
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>If "Yes" or "No" provide details in Part VI.</i>		
<b>3a</b>		
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		
<b>3b</b>		

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

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

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

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e	<b>Discount</b> claimed for blockage or other factors ( <i>explain in detail in Part VI</i> ):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	<b>Minimum Asset Amount</b> (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Schedule A (Form 990 or 990-EZ) 2020

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

<b>Section D - Distributions</b>		<b>Current Year</b>
<b>1</b>	Amounts paid to supported organizations to accomplish exempt purposes	<b>1</b>
<b>2</b>	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	<b>2</b>
<b>3</b>	Administrative expenses paid to accomplish exempt purposes of supported organizations	<b>3</b>
<b>4</b>	Amounts paid to acquire exempt-use assets	<b>4</b>
<b>5</b>	Qualified set-aside amounts (prior IRS approval required - <i>provide details in Part VI</i> )	<b>5</b>
<b>6</b>	Other distributions ( <i>describe in Part VI</i> ). See instructions.	<b>6</b>
<b>7</b>	<b>Total annual distributions.</b> Add lines 1 through 6.	<b>7</b>
<b>8</b>	Distributions to attentive supported organizations to which the organization is responsive ( <i>provide details in Part VI</i> ). See instructions.	<b>8</b>
<b>9</b>	Distributable amount for 2020 from Section C, line 6	<b>9</b>
<b>10</b>	Line 8 amount divided by line 9 amount	<b>10</b>

<b>Section E - Distribution Allocations</b> (see instructions)	<b>(i) Excess Distributions</b>	<b>(ii) Underdistributions Pre-2020</b>	<b>(iii) Distributable Amount for 2020</b>
<b>1</b> Distributable amount for 2020 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2020 (reasonable cause required - <i>explain in Part VI</i> ). See instructions.			
<b>3</b> Excess distributions carryover, if any, to 2020			
<b>a</b> From 2015			
<b>b</b> From 2016			
<b>c</b> From 2017			
<b>d</b> From 2018			
<b>e</b> From 2019			
<b>f</b> <b>Total</b> of lines 3a through 3e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2020 distributable amount			
<b>i</b> Carryover from 2015 not applied (see instructions)			
<b>j</b> Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
<b>4</b> Distributions for 2020 from Section D, line 7: \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2020 distributable amount			
<b>c</b> Remainder. Subtract lines 4a and 4b from line 4.			
<b>5</b> Remaining underdistributions for years prior to 2020, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
<b>6</b> Remaining underdistributions for 2020. Subtract lines 3h and 4b from line 1. For result greater than zero, <i>explain in Part VI</i> . See instructions.			
<b>7</b> <b>Excess distributions carryover to 2021.</b> Add lines 3j and 4c.			
<b>8</b> Breakdown of line 7:			
<b>a</b> Excess from 2016			
<b>b</b> Excess from 2017			
<b>c</b> Excess from 2018			
<b>d</b> Excess from 2019			
<b>e</b> Excess from 2020			

Schedule A (Form 990 or 990-EZ) 2020



Schedule B

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

Department of the Treasury Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2020

Name of the organization

Brattleboro Memorial Hospital

Employer identification number

03-0107300

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

[X] 501(c)( 3 ) (enter number) organization

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

[ ] 527 political organization

Form 990-PF

[ ] 501(c)(3) exempt private foundation

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

[ ] 501(c)(3) taxable private foundation

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

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

General Rule

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

Special Rules

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

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

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

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

Name of organization  <b>Brattleboro Memorial Hospital</b>	Employer identification number  <b>03-0107300</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	 <hr/> <hr/> <hr/>	\$ <u>94,420.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	 <hr/> <hr/> <hr/>	\$ <u>224,429.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	 <hr/> <hr/> <hr/>	\$ <u>223,115.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	 <hr/> <hr/> <hr/>	\$ <u>10,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	 <hr/> <hr/> <hr/>	\$ <u>109,089.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	 <hr/> <hr/> <hr/>	\$ <u>11,855.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Brattleboro Memorial Hospital</b>	Employer identification number  <b>03-0107300</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	<hr/> <hr/> <hr/>	\$ 96,736.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	<hr/> <hr/> <hr/>	\$ 48,547.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Brattleboro Memorial Hospital</b>	Employer identification number  <b>03-0107300</b>
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**Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____



Name of organization  <b>Brattleboro Memorial Hospital</b>	Employer identification number  <b>03-0107300</b>
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**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

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

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

**2020**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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

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

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

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

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

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

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

Name of organization <b>Brattleboro Memorial Hospital</b>	Employer identification number <b>03-0107300</b>
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**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

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

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

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

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

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

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

**For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.** **Schedule C (Form 990 or 990-EZ) 2020**

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

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

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
<b>1a</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying) .....														
<b>b</b>	Total lobbying expenditures to influence a legislative body (direct lobbying) .....														
<b>c</b>	Total lobbying expenditures (add lines 1a and 1b) .....														
<b>d</b>	Other exempt purpose expenditures .....														
<b>e</b>	Total exempt purpose expenditures (add lines 1c and 1d) .....														
<b>f</b>	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 50%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
<b>g</b>	Grassroots nontaxable amount (enter 25% of line 1f) .....														
<b>h</b>	Subtract line 1g from line 1a. If zero or less, enter -0- .....														
<b>i</b>	Subtract line 1f from line 1c. If zero or less, enter -0- .....														
<b>j</b>	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? .....														

Yes  No

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

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
<b>a</b> Volunteers? .....		X	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..		X	
<b>c</b> Media advertisements? .....		X	
<b>d</b> Mailings to members, legislators, or the public? .....		X	
<b>e</b> Publications, or published or broadcast statements? .....		X	
<b>f</b> Grants to other organizations for lobbying purposes? .....		X	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body? .....		X	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? .....		X	
<b>i</b> Other activities? .....	X		13,617.
<b>j</b> Total. Add lines 1c through 1i .....			13,617.
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? .....		X	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912 .....			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912 .....			
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? .....			

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

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

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

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

**Part IV Supplemental Information**

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

**Part II-B, Line 1, Lobbying Activities:**

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

**SCHEDULE D**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

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

▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

OMB No. 1545-0047

**2020**

**Open to Public Inspection**

Name of the organization **Brattleboro Memorial Hospital** Employer identification number **03-0107300**

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

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

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

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

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

	Held at the End of the Tax Year
a Total number of conservation easements .....	2a
b Total acreage restricted by conservation easements .....	2b
c Number of conservation easements on a certified historic structure included in (a) .....	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register .....	2d

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

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

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

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

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

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

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

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

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

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

(i) Revenue included on Form 990, Part VIII, line 1 .....

(ii) Assets included in Form 990, Part X .....

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

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

b Assets included in Form 990, Part X .....

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

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

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

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

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

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

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

**Part VI Land, Buildings, and Equipment.**

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		45,499.		45,499.
b Buildings		44,090,690.	29,185,180.	14,905,510.
c Leasehold improvements				
d Equipment		29,149,444.	25,231,036.	3,918,408.
e Other		14,191,284.	2,002,216.	12,189,068.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				31,058,485.

**Part VII Investments - Other Securities.**

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

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

**Part VIII Investments - Program Related.**

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

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

**Part IX Other Assets.**

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

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

**Part X Other Liabilities.**

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) <b>Estimated Third-Party Payor</b>	
(3) <b>Settlements</b>	1,031,743.
(4) <b>Interest Rate Swap</b>	90,024.
(5) <b>Medicare Accelerated Payments</b>	5,073,884.
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	6,195,651.

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

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

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

<b>1</b>	Total revenue, gains, and other support per audited financial statements .....	<b>1</b>	99,267,753.
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
<b>a</b>	Net unrealized gains (losses) on investments .....	<b>2a</b>	3,803,188.
<b>b</b>	Donated services and use of facilities .....	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants .....	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.) .....	<b>2d</b>	561,812.
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> .....	<b>2e</b>	4,365,000.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> .....	<b>3</b>	94,902,753.
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b .....	<b>4a</b>	81,851.
<b>b</b>	Other (Describe in Part XIII.) .....	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> .....	<b>4c</b>	81,851.
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.) .....	<b>5</b>	94,984,604.

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

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

<b>1</b>	Total expenses and losses per audited financial statements .....	<b>1</b>	95,153,889.
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
<b>a</b>	Donated services and use of facilities .....	<b>2a</b>	
<b>b</b>	Prior year adjustments .....	<b>2b</b>	
<b>c</b>	Other losses .....	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.) .....	<b>2d</b>	350,212.
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> .....	<b>2e</b>	350,212.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> .....	<b>3</b>	94,803,677.
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b .....	<b>4a</b>	81,851.
<b>b</b>	Other (Describe in Part XIII.) .....	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> .....	<b>4c</b>	81,851.
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.) .....	<b>5</b>	94,885,528.

**Part XIII Supplemental Information.**

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

**Part XI, Line 2d - Other Adjustments:**

Change in Interest in SVHSC	110,227.
Rental Expenses	350,212.
Unrealized Gain on Interest Rate Swap	101,373.
Total to Schedule D, Part XI, Line 2d	561,812.

**Part XII, Line 2d - Other Adjustments:**

Rental Expenses	350,212.
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**SCHEDULE H  
(Form 990)**

**Hospitals**

OMB No. 1545-0047

**2020**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

Name of the organization **Brattleboro Memorial Hospital** Employer identification number **03-0107300**

**Part I Financial Assistance and Certain Other Community Benefits at Cost**

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

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

**7 Financial Assistance and Certain Other Community Benefits at Cost**

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
<b>Financial Assistance and Means-Tested Government Programs</b>						
<b>a</b> Financial Assistance at cost (from Worksheet 1)			329,601.		329,601.	.35%
<b>b</b> Medicaid (from Worksheet 3, column a)			16023544.	7830566.	8192978.	8.63%
<b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b)						
<b>d Total.</b> Financial Assistance and Means-Tested Government Programs			16353145.	7830566.	8522579.	8.98%
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4)			1570242.	1080496.	489,746.	.52%
<b>f</b> Health professions education (from Worksheet 5)						
<b>g</b> Subsidized health services (from Worksheet 6)			32603070.	14628742.	17974328.	18.94%
<b>h</b> Research (from Worksheet 7)						
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8)			17,725.		17,725.	.02%
<b>j Total.</b> Other Benefits			34191037.	15709238.	18481799.	19.48%
<b>k Total.</b> Add lines 7d and 7j			50544182.	23539804.	27004378.	28.46%



Part V Facility Information

Section A. Hospital Facilities

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

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

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

1 Brattleboro Memorial Hospital, Inc.
17 Belmont Ave.
Brattleboro, VT 05301
www.bmhvt.org
904

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

**Part V Facility Information** (continued)

**Section B. Facility Policies and Practices**

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

Name of hospital facility or letter of facility reporting group Brattleboro Memorial Hospital

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

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

**Part V Facility Information** (continued)

**Financial Assistance Policy (FAP)**

Name of hospital facility or letter of facility reporting group Brattleboro Memorial Hospital

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
<b>13</b> Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? .....	<b>X</b>	
If "Yes," indicate the eligibility criteria explained in the FAP:		
<b>a</b> <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>250</u> % and FPG family income limit for eligibility for discounted care of <u>350</u> %		
<b>b</b> <input type="checkbox"/> Income level other than FPG (describe in Section C)		
<b>c</b> <input type="checkbox"/> Asset level		
<b>d</b> <input type="checkbox"/> Medical indigency		
<b>e</b> <input checked="" type="checkbox"/> Insurance status		
<b>f</b> <input type="checkbox"/> Underinsurance status		
<b>g</b> <input type="checkbox"/> Residency		
<b>h</b> <input type="checkbox"/> Other (describe in Section C)		
<b>14</b> Explained the basis for calculating amounts charged to patients? .....	<b>X</b>	
<b>15</b> Explained the method for applying for financial assistance? .....	<b>X</b>	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
<b>b</b> <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
<b>c</b> <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
<b>d</b> <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
<b>e</b> <input type="checkbox"/> Other (describe in Section C)		
<b>16</b> Was widely publicized within the community served by the hospital facility? .....	<b>X</b>	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>See Part V, Page 8</u>		
<b>b</b> <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>See Part V, Page 8</u>		
<b>c</b> <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>See Part V, Page 8</u>		
<b>d</b> <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>e</b> <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>f</b> <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>g</b> <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
<b>h</b> <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
<b>i</b> <input type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
<b>j</b> <input type="checkbox"/> Other (describe in Section C)		

**Part V Facility Information** (continued)

**Billing and Collections**

Name of hospital facility or letter of facility reporting group Brattleboro Memorial Hospital

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

**Policy Relating to Emergency Medical Care**

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

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

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

Name of hospital facility or letter of facility reporting group Brattleboro Memorial Hospital

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

Schedule H (Form 990) 2020



**Part V Facility Information** (continued)

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

Brattleboro Memorial Hospital:

Part V, Section B, Line 5: BMH conducted a collaborative CHNA in partnership with Grace Cottage Family Health & Hospital and the Brattleboro Retreat. In October 2017, the Windham County Community Health Needs Assessment Steering Committee formed and began meeting. The Steering Committee was comprised of representatives from BMH, the Brattleboro Retreat, Grace Cottage Family Health & Hospital, and the Brattleboro Office of the VDH. From October 2017 through August 2018, the group met eight times. The data collection process took place from November 2017 through May 2018. The resident surveys were available throughout the month of March 2018.

The Needs Assessment was approved by the Board in December, 2019.

Brattleboro Memorial Hospital:

Part V, Section B, Line 6a: The Hospital's CHNA was conducted in partnership with Grace Cottage Hospital and The Brattleboro Retreat.

Brattleboro Memorial Hospital:

Part V, Section B, Line 11: Brattleboro Memorial Hospital (BMH) completed a Community Health Needs Assessment (CHNA) in 2018. The CHNA revealed five areas of need. They are as follows: Dental Health, Mental Health, Substance Misuse, Obesity, Accessing and Navigating the Healthcare System. BMH has done significant programming around each area identified starting

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

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

with partnering with the United Way to open the Windham County Dental Center to provide dental care for people who were uninsured and underinsured. BMH donated the space at 375 Canal Street for the Dental Center and hired the dentist. In the area of Mental Health, BMH continues to support a FT Psychiatric Nurse Practitioner in the Emergency Department along with an embedded Psychologist in primary care. The Community Health Team is supported by BMH and provides Brief Interventions to SBINS screening for people that identify as needing assistance with mental health and substance use disorder. BMH also participates in several other initiatives to address the mental health need in our community with our community partners. Substance Misuse or Substance Use Disorder (SUD) is addressed in many ways as well. BMH participates in several community initiatives addressing SUD including, COSU (Consortium of Substance Use), RAM (rapid access to medication in the ED), and embedding Turning Point Recovery Coaches in the BMH ED and Inpatient units. BMH also started an opioid task force to reduce MME's in clinician prescribing. Obesity is another area that was identified as needing to be addressed. BMH partners with RiseVT and supports a FT Program manager to work on decreasing childhood obesity with programming in schools and with community partners. BMH also supports the Community Health team with Registered Dieticians and a Health Coach, along with self-management programs for Diabetes prevention. The last area identified with Accessing and Navigating the Healthcare System. BMH continues to support a Centralized Scheduling Department to help patients find primary care. RN Care Coordinators were hired to work in primary care and specialty practices to help patients access the care they need as well.

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

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

Brattleboro Memorial Hospital

Part V, line 16a, FAP website:

[www.bmhvt.org/patient-information/pfs/charityfree\\_care/](http://www.bmhvt.org/patient-information/pfs/charityfree_care/)

Brattleboro Memorial Hospital

Part V, line 16b, FAP Application website:

[www.bmhvt.org/patient-information/pfs/charityfree\\_care/](http://www.bmhvt.org/patient-information/pfs/charityfree_care/)

Brattleboro Memorial Hospital

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

[www.bmhvt.org/patient-information/pfs/charityfree\\_care/](http://www.bmhvt.org/patient-information/pfs/charityfree_care/)



**Part VI Supplemental Information**

Provide the following information.

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

Part I, Line 3c:

Brattleboro Memorial Hospital's Free Care program is designed to assist those patients who are either uninsured, underinsured or have limited financial resources that impact their ability to fully pay for their hospital care. When making application for Free Care, patients are first asked to investigate whether or not they may be eligible for Medicare, Medicaid, Veterans' Benefits or other governmental or public assistance programs. Free Care should always be the payor of last resort.

A. Qualifications for Free Care:

1. Free Care is limited to medically necessary services. Patients receiving certain elective services, such as those considered cosmetic, investigational or experimental, are expected to make payment arrangements in advance, as these types of services are not covered by Free Care;

2. Patients' family income must be at or below 250% of the current Federal Poverty Income Guidelines for their family size;

**Part VI** Supplemental Information (Continuation)

3. Patients or their guarantors must complete a Free Care application and provide the hospital with verification of income. Responsible parties may be asked to disclose the identity and amounts of any assets that could be used to pay for medical expenses.

NOTE: Income verification may be waived at the discretion of the Director of Patient Financial Services, particularly in those instances in which patients have subsequently qualified for Medicaid, or are deceased, with no estate;

4. Free Care applications will be processed within two weeks of the date of their receipt in our Business Office;

5. Free Care applies only to those patient accounts still in active Accounts Receivable; no Free Care allowance may be applied against accounts that have been forwarded to a collection agency as Bad Debt.

B. Patients will be notified in writing of their approval or denial status within 30 days of the date of receipt of the application and any required supporting documentation. All accounts written off to Free Care must be approved by the Director of Patient Financial Services or the Vice-President of Finance.

Part I, Line 7:

A cost accounting system was used to calculate the amounts reported in the table. The cost accounting system addresses all patient segments. A cost-to-charge ratio was used.

**Part VI** Supplemental Information (Continuation)

Part II, Community Building Activities:

1. The director of the Community Health Team participates in community coalitions such as Fit & Health Kid's Coalition, Healthier Communities Coalition. The HCC Coalition, of which the Director of the Community Health Team is a member, has been instrumental in advocating for healthy nutrition, exercise, food security, Farm to School programming & advocating for improving the built environment & town policies to support health & wellness. Many of the health improvement needs identified by & advocated for by the Coalition have been incorporated into the new town plan for Brattleboro. The HCC was recognized for its success & effectiveness. The HCC has conducted Community Healthier Living Index (CHLI) assessments at Green Street School and at BMH. This YMCA tool measures community organization support for physical activity & healthy eating. Mini grant money will be used to implement strategies for improvements in the areas of health nutrition and exercise.

2. Our Director of Nutrition Services supports local agriculture & has been recognized for BMH's level of support. 550 BMH employees benefit from local foods & healthy choices on our breakfast, lunch & dinner menus daily.

Part III, Line 3:

A simple RCC was utilized to reduce charges to cost. The estimated bad debt that may be eligible for our charity care policy was based on a 50% eligibility rate.

Part III, Line 4:

**Part VI** Supplemental Information (Continuation)

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

In evaluating the collectibility of accounts receivable, the Hospital analyzes past results and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, the Hospital analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary. For receivables associated with self-pay patients (which include both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Hospital records a provision for bad debts in the period of service based on past experience, which indicates that many patients are unable or unwilling to pay amounts for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated or eligible) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged against the allowance for doubtful accounts.



**Part VI** Supplemental Information (Continuation)

During 2020, the Hospital decreased its estimate from \$5,882,225 to \$4,325,450 in the allowance for doubtful accounts relating to self-pay patients, and during 2019, the Hospital decreased its estimate from \$7,177,617 to \$5,882,225 in the allowance for doubtful accounts relating to self-pay patients. During 2020, self-pay write-offs decreased from \$4,880,584 to \$4,563,974 and during 2019, self-pay write-offs increased from \$3,620,560 to \$4,880,584. The changes resulted from trends experienced in the collection of amounts from self-pay patients with and without insurance. The decrease in the allowance in 2019 was a result of increased write-offs of self-pay balances deemed uncollectible, resulting in an improvement in the aging and balance of self-pay receivables.

Part III, Line 8:

The Medicare shortfall should be considered a community benefit in its entirety. A cost-to-charge ratio was used.

Part III, Line 9b:

Patients or their guarantors must complete a Free Care application and provide the hospital with verification of income. Responsible parties may be asked to disclose the identity and amounts of any assets that could be used to pay for medical expenses.

NOTE: Income verification may be waived at the discretion of the Director of Patient Financial Services, particularly in those instances in which patients have subsequently qualified for Medicaid, or are deceased, with no estate.

Part VI, Line 2:

**Part VI** Supplemental Information (Continuation)

BMH conducted the 2018 Community Health Needs Assessment. The needs assessment addressed health and wellness in Windham County, inclusive of lifestyle, access to care, maternal & child health, illness & death, and injury. Methodology included data analysis, on-line surveys, survey questionnaire distribution at public events, various focus groups, provider surveys and 2 formal Steering Committee meetings. Highest priority issues about healthcare & healthcare access were identified.

Evaluations were given to all participants of the Community Health Needs Assessment. Participants are asked what health & wellness topics they would like to have presented. Each participant developed an implementation plan. These responses are compiled & prioritized. The committee for the calendar uses these priority requests to plan content of future calendars.

Part VI, Line 4:

BMH serves a total service area that includes:

- 22 towns
- A population of 42,869
- Compared to VT/US, residents of the service area tend to be:
  - a. Older
  - b. Similarly well off, especially in the secondary service area
  - c. Less at risk for obesity

The 65+ population will be the fastest growing segment, while the 0-17 and 18-44 age cohorts drop. VT is the second oldest state in the country (after Maine). Median age in the PSA & SSA is higher than Vermont overall & significantly higher than the US median.

**SCHEDULE I  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

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

▶ **Attach to Form 990.**

▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.**

OMB No. 1545-0047

**2020**

**Open to Public  
Inspection**

Name of the organization **Brattleboro Memorial Hospital** Employer identification number **03-0107300**

**Part I General Information on Grants and Assistance**

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

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

<b>1 (a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section (if applicable)	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of noncash assistance	<b>(h)</b> Purpose of grant or assistance
Groundworks Collaborative, LLC PO Box 370 Brattleboro, VT 05302	03-0267404	501(c)(3)	18,200.	0.			Support continuing programs

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

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

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

Schedule I (Form 990) 2020

**Part III Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

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

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

Part I, Line 2:

The Organization makes contributions to small community events and no monitoring is deemed necessary.

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

**2020**

Open to Public Inspection

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

Department of the Treasury  
Internal Revenue Service

Name of the organization **Brattleboro Memorial Hospital** Employer identification number **03-0107300**

**Part I Questions Regarding Compensation**

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

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

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

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

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

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

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

- a** Receive a severance payment or change-of-control payment? .....
- b** Participate in or receive payment from a supplemental nonqualified retirement plan? .....
- c** Participate in or receive payment from an equity-based compensation arrangement? .....
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

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

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

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

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

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

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

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

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

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

Schedule J (Form 990) 2020

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Elizabeth McLarney, M.D. Board Member	(i)	636,908.	138,104.	1,032.	14,963.	33,279.	824,286.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) Michael Wack Staff MD Ortho	(i)	416,686.	0.	1,512.	0.	36,927.	455,125.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) Steven Gordon President & CEO	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	328,081.	56,667.	3,048.	14,250.	23,469.	425,515.	0.
(4) Craig A. Rinder Staff MD Urology	(i)	394,660.	0.	1,584.	14,962.	1,079.	412,285.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) Gregory R. Gadowski General Surgeon	(i)	360,788.	0.	1,512.	14,000.	30,883.	407,183.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) Kathleen McGraw Chief Medical Officer	(i)	312,026.	0.	26,323.	14,963.	33,819.	387,131.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) Aida Avdic Hospitalist	(i)	291,118.	0.	22,189.	14,963.	33,819.	362,089.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) John J. Cope General Surgeon	(i)	332,632.	0.	203.	0.	26,206.	359,041.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) Michael Rogers VP of Finance & Treasurer	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	201,434.	0.	18,432.	16,152.	30,089.	266,107.	0.
(10) Tony Blofson, M.D. Board Member	(i)	199,547.	0.	2,064.	10,840.	29,453.	241,904.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) Andre Bissonette CFO	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	210,829.	0.	234.	0.	9,612.	220,675.	0.
(12) Jodi Stack VP Patient Care Services	(i)	177,260.	0.	360.	9,438.	12,041.	199,099.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

**Part III Supplemental Information**

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

Part I, Line 6:

Bonuses paid in calendar year 2020 are mostly contractual however the Hospital's net earnings are a minor consideration in the senior leadership bonus amounts.

Part I, Line 7:

Bonus payments made to Medical Staff include both qualitative bonuses based on attendance at medical staff meetings and other quality measures and quantitative bonuses based in part on worked Relative Value Units (RVUs) performed in excess of baseline expectations.

**Supplemental Information on Tax-Exempt Bonds**

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

Name of the organization **Brattleboro Memorial Hospital** Employer identification number **03-0107300**

Part I	Bond Issues	See Part VI for Columns (a) and (f) Continuations											
		(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
								Yes	No	Yes	No	Yes	No
	<b>A</b>	Vermont Educational and Health Building Financing	23-7154467	None	06/01/16	10500000.	Advance refund of previously issued		X		X		X
	<b>B</b>	Vermont Educational and Health Building Financing	23-7154467	None	12/19/19	12500000.	To fund Ron Reed Project		X		X		X
	<b>C</b>												
	<b>D</b>												

Part II	Proceeds									
		A		B		C		D		
	<b>1</b>	Amount of bonds retired	4,941,038.							
	<b>2</b>	Amount of bonds legally defeased								
	<b>3</b>	Total proceeds of issue	10,500,000.		12,500,000.					
	<b>4</b>	Gross proceeds in reserve funds								
	<b>5</b>	Capitalized interest from proceeds								
	<b>6</b>	Proceeds in refunding escrows								
	<b>7</b>	Issuance costs from proceeds	169,085.		200,150.					
	<b>8</b>	Credit enhancement from proceeds								
	<b>9</b>	Working capital expenditures from proceeds								
	<b>10</b>	Capital expenditures from proceeds			2,989,378.					
	<b>11</b>	Other spent proceeds	10,330,915.							
	<b>12</b>	Other unspent proceeds			9,310,472.					
	<b>13</b>	Year of substantial completion	2016							
			Yes	No	Yes	No	Yes	No	Yes	No
	<b>14</b>	Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?	X			X				
	<b>15</b>	Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X		X				
	<b>16</b>	Has the final allocation of proceeds been made?	X			X				
	<b>17</b>	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

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

Schedule K (Form 990) 2020



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

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

**Part IV Arbitrage** (continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>4a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? .....	X			X				
<b>b</b> Name of provider .....	People's United Ban							
<b>c</b> Term of hedge .....	10.0000000							
<b>d</b> Was the hedge superintegrated? .....	X							
<b>e</b> Was the hedge terminated? .....		X						
<b>5a</b> Were gross proceeds invested in a guaranteed investment contract (GIC)? .....		X		X				
<b>b</b> Name of provider .....								
<b>c</b> Term of GIC .....								
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? .....								
<b>6</b> Were any gross proceeds invested beyond an available temporary period? .....		X		X				
<b>7</b> Has the organization established written procedures to monitor the requirements of section 148? .....		X		X				

**Part V Procedures To Undertake Corrective Action**

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

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

**Schedule K, Part I, Bond Issues:**

(a) Issuer Name: Vermont Educational and Health Building Financing Agency

(f) Description of Purpose: Advance refund of previously issued bonds

(a) Issuer Name: Vermont Educational and Health Building Financing Agency



**Part IV Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Joanne Rogers	Family Member of Mi	33,409.	Employment		X
Judith McBean	Family Member of Do	319,190.	Employment		X
Sharon Gordon	Family Member of St	18,279.	Employment		X
Denise Paasche	Family Member of To	232,027.	Employment		X

**Part V Supplemental Information.**

Provide additional information for responses to questions on Schedule L (see instructions).

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: Joanne Rogers

(b) Relationship Between Interested Person and Organization:

Family Member of Michael Rogers, VP Financial Planning & Treasurer

(c) Amount of Transaction \$ 33,409.

(d) Description of Transaction: Employment

(e) Sharing of Organization Revenues? = No

(a) Name of Person: Judith McBean

(b) Relationship Between Interested Person and Organization:

Family Member of Donna McElligott, Past Board Member

(c) Amount of Transaction \$ 319,190.

(d) Description of Transaction: Employment

(e) Sharing of Organization Revenues? = No

(a) Name of Person: Sharon Gordon

(b) Relationship Between Interested Person and Organization:

Family Member of Steven Gordon, President & CEO

(c) Amount of Transaction \$ 18,279.

(d) Description of Transaction: Employment

**Part V** Supplemental Information

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

(e) Sharing of Organization Revenues? = No

(a) Name of Person: Denise Paasche

(b) Relationship Between Interested Person and Organization:

Family Member of Tony Blofson, Board Member

(c) Amount of Transaction \$ 232,027.

(d) Description of Transaction: Employment

(e) Sharing of Organization Revenues? = No

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

Department of the Treasury  
Internal Revenue Service

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

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

▶ Attach to Form 990 or 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2020**

Open to Public  
Inspection

Name of the organization

Brattleboro Memorial Hospital

Employer identification number

03-0107300

Form 990, Part III, Line 4b, Program Service Accomplishments:

1. Charity care is limited to medically necessary services. Patients receiving certain elective services, such as those considered cosmetic, investigational or experimental, are expected to make payment arrangements in advance, as these types of services are not covered by the charity care program.

2. The patient's family income must be at or below 300% of the current Federal Poverty Income Guidelines for their applicable family size.

The Hospital maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy, the estimated cost of those services and supplies and equivalent service statistics. The following information measures the level of the charity care provided during the year ended September 30, 2020:

Equivalent percentage of charity care services to all services  
1.48%

In addition, the Hospital incurs a payment shortfall in the treatment of Medicaid patients. This government program reimburses for medical services at less than the costs incurred to provide those services. In September 30, 2020 and 2019, the Hospital incurred a shortfall of approximately \$8,235,000 and \$10,138,000, respectively, related to

Name of the organization Brattleboro Memorial Hospital	Employer identification number 03-0107300
---	--

treating Medicaid patients.

The Hospital also provided other community benefits upon which no monetary value has been placed.

-Offers free smoking cessation classes.

-Collaborates with other community agencies in publishing a community wellness calender twice a year.

Form 990, Part VI, Section A, line 6:

The sole member of the Hospital shall be Southern Vermont Health Services Corporation, a Vermont not-for-profit corporation.

Form 990, Part VI, Section A, line 7a:

The Board of Directors of the Hospital shall consist of eleven persons elected by Southern Vermont Health Service Corporation (sole member) from among membership of the sole member, plus the President and Medical Staff President ex officio but without the power to vote. Directors shall be elected annually by the sole member to hold office for three years and until their successors have been elected and qualified or until their death or resignation. Elected directors may serve for a maximum of three consecutive three-year terms.

Form 990, Part VI, Section A, line 7b:

The Board of Directors may not take any of the following actions without the prior approval of Southern Vermont Health Service Corporation (sole member):

a) Adopt any annual or long-term capital or operating budget of the

Name of the organization Brattleboro Memorial Hospital	Employer identification number 03-0107300
---	--

Hospital;

b) Authorize the Hospital to enter into any contract or engage in any transaction which is not provided for in an annual or long-term capital or operating budget of the Hospital approved by the sole member, where the amount involved exceeds an amount as determined from time to time by the sole member;

c) Authorize the Hospital to transfer funds or other assets to any other organization or corporation, where the amount involved exceeds an amount as determined from time to time by the sole member;

d) Authorized the Hospital to engage in, or enter into, any transaction involving the borrowing of funds, incurring of debt, and/or guaranteeing, pledging, or collateralizing of any of its assets in connection therewith;

e) Adopt any new, or any changes to the existing, long-range or master plans or the Hospital; or

f) Organize or acquire, or authorize the organization or acquisition of, any subsidiary or affiliate of the Hospital.

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

The role of the Hospital's Finance and Audit Committee includes review of the 990. The Finance and Audit Committee engages the auditors and receives the audit and a complete copy of the Form 990, including all schedules. The Finance and Audit Committee will report to the Board that the 990 review has occurred. The Board accepts The Finance and Audit Committee reports and the 990. All members of the Board will have access to the 990 prior to filing.

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

Each December, Board Members are required to complete a Conflict of



Name of the organization

Brattleboro Memorial Hospital

Employer identification number

03-0107300

Interest Statement. Beginning FY 2010, these statements were reviewed by outside counsel and reported back to the Board of Directors along with recommendations for action.

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

The Executive Compensation Committee (ECC) of the Board of Directors (BOD) engages an outside compensation consultant to review executive compensation policies, procedures and conduct an independent regional and national market survey for senior leadership positions. The ECC sets the CEO's compensation and reviews the CEO's recommendations for other senior leadership compensation. The actions of the ECC are reviewed and approved by the BOD.

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

Financial statements are published on our website. Our governing documents and conflict of interest policies are not made available to the public.

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

Contract Services & Consultant:

Program service expenses	6,528,487.
Management and general expenses	2,296,536.
Fundraising expenses	0.
Total expenses	8,825,023.

Contract Temp.:

Program service expenses	301,519.
Management and general expenses	0.
Fundraising expenses	0.

Name of the organization Brattleboro Memorial Hospital	Employer identification number 03-0107300
---	--

Total expenses	301,519.
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Service Contracts:

Program service expenses	2,693,414.
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Management and general expenses	382,348.
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Fundraising expenses	0.
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Total expenses	3,075,762.
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Total Other Fees on Form 990, Part IX, line 11g, Col A	12,202,304.
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Form 990, Part X, Line 10: Land, Buildings, and Equipment

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

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Brattleboro Memorial Hospital

17 Belmont Avenue

Brattleboro, VT 05301

EIN: 03-0107300

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

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

Unrealized Gain on Interest Rate Swap	101,373.
---------------------------------------	----------

Change in Interest in SVHSC	110,227.
-----------------------------	----------

Total to Form 990, Part XI, Line 9	211,600.
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**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

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

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2020**

Open to Public Inspection

Name of the organization

**Brattleboro Memorial Hospital**

Employer identification number

**03-0107300**

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
Southern Vermont Health Services Corp. - 22-2564588, 17 Belmont Ave., Brattleboro, VT 05301	Provide Health Management Services	Vermont	501(c)(3)	Line 7	N/A		X

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

Schedule R (Form 990) 2020



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

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

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

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

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

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



**Part VII** Supplemental Information

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

Multiple horizontal lines for supplemental information.



# Brattleboro Memorial Hospital, Inc.

FINANCIAL STATEMENTS

September 30, 2021 and 2020

With Independent Auditor's Report





**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**September 30, 2021 and 2020**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Brattleboro Memorial Hospital, Inc.

We have audited the accompanying financial statements of Brattleboro Memorial Hospital, Inc. (Hospital), a Vermont not-for-profit corporation and wholly-controlled subsidiary of Southern Vermont Health Services Corporation (SVHSC), which comprise the balance sheets as of September 30, 2021 and 2020, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Hospital as of September 30, 2021 and 2020, and the results of its operations, changes in its net assets and its cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

***Change in Accounting Principle***

As discussed in Note 1 to the financial statements, in 2021 the Hospital, adopted Financial Accounting Standards Board Accounting Standards Update No. 2014-09, *Revenues from Contracts with Customers (Topic 606)*, and related guidance. Our opinion is not modified with respect to this matter.

*Berry Dunn McNeil & Parker, LLC*

Manchester, New Hampshire  
January 26, 2022  
Registration No. 92-0000278

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Balance Sheets**

**September 30, 2021 and 2020**

**ASSETS**

	<u>2021</u>	<u>2020</u>
Current assets		
Cash and cash equivalents	\$ 5,505,198	\$ 20,789,148
Patient and other accounts receivable, net	15,993,509	9,254,257
Supplies inventory	2,323,849	2,601,993
Other current assets	524,828	224,838
Due from affiliate	<u>95,173</u>	<u>-</u>
Total current assets	<u>24,442,557</u>	<u>32,870,236</u>
Assets limited as to use		
Internally designated	36,493,220	31,448,042
Under bond agreement for capital acquisition	10,326,766	10,311,792
Other investments with donor restrictions	<u>54,632</u>	<u>52,154</u>
Total assets limited as to use	<u>46,874,618</u>	<u>41,811,988</u>
Interest in net assets of Southern Vermont Health Services Corporation (SVHSC)	1,009,420	899,193
Deferred system development costs, net	725,841	1,238,100
Property and equipment, net	<u>31,058,485</u>	<u>24,264,714</u>
Total assets	<u>\$104,110,921</u>	<u>\$101,084,231</u>

---

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

## LIABILITIES AND NET ASSETS

	<u>2021</u>	<u>2020</u>
Current liabilities		
Current portion of long-term debt	\$ 997,328	\$ 975,403
Accounts payable	6,268,824	8,939,693
Salaries, wages, and payroll taxes payable	681,299	563,814
Accrued retirement plan contribution	1,430,546	1,289,151
Accrued compensated absences	3,030,784	2,787,721
Other accrued expenses	3,529,296	1,439,924
Estimated third-party payor settlements	1,031,743	872,148
Medicare accelerated payments	5,073,884	6,230,193
Due to affiliate	<u>-</u>	<u>105,689</u>
Total current liabilities	22,043,704	23,203,736
Long-term debt, less current portion	7,307,728	7,133,497
Interest rate swap	<u>90,024</u>	<u>191,397</u>
Total liabilities	<u>29,441,456</u>	<u>30,528,630</u>
Net assets		
Without donor restrictions	73,605,412	69,604,253
With donor restrictions	<u>1,064,053</u>	<u>951,348</u>
Total net assets	<u>74,669,465</u>	<u>70,555,601</u>
Total liabilities and net assets	<u>\$104,110,921</u>	<u>\$101,084,231</u>

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**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Statements of Operations**

**Years Ended September 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Revenues, gains, and other support without donor restrictions		
Patient service revenue (net of contractual allowances and discounts)	\$ 74,444,121	\$ 63,339,864
Less provision for bad debts	<u>-</u>	<u>2,185,137</u>
Net patient service revenue	74,444,121	61,154,727
U.S. Department of Health and Human Services (HHS) stimulus revenue	-	11,407,618
Fixed prospective revenue	14,053,786	15,160,030
Other revenue	<u>5,057,497</u>	<u>5,195,545</u>
Total revenues, gains, and other support without donor restrictions	<u>93,555,404</u>	<u>92,917,920</u>
Expenses		
Salaries, wages, and benefits	54,080,165	52,181,888
Supplies and other	16,665,717	15,123,691
Contracted services	15,676,996	15,733,928
Depreciation and amortization	3,904,162	4,216,370
Health care improvement tax	4,680,807	5,006,382
Interest expense	<u>146,042</u>	<u>140,293</u>
Total expenses	<u>95,153,889</u>	<u>92,402,552</u>
Operating (loss) income	<u>(1,598,485)</u>	<u>515,368</u>
Nonoperating gains (losses)		
Income from investments	1,256,838	636,724
Other nonoperating income	235,814	96,369
Unrealized gain (loss) on interest rate swap	101,373	(171,807)
Change in net unrealized gains on investments	<u>3,803,188</u>	<u>1,629,216</u>
Nonoperating gains, net	<u>5,397,213</u>	<u>2,190,502</u>
Excess of revenues, gains, other support, and nonoperating gains (losses) over expenses	3,798,728	2,705,870
Net assets transferred from SVHSC for capital expenditures	<u>202,431</u>	<u>7,005,419</u>
Change in net assets without donor restrictions	\$ <u>4,001,159</u>	\$ <u>9,711,289</u>

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

**BRATTLEBORO MEMORIAL HOSPITAL, INC.****Statements of Changes in Net Assets****Years Ended September 30, 2021 and 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balances, October 1, 2019	\$ <u>59,892,964</u>	\$ <u>942,491</u>	\$ <u>60,835,455</u>
Excess of revenues, gains, other support, and nonoperating gains (losses) over expenses	2,705,870	-	2,705,870
Investment loss	-	(3,222)	(3,222)
Change in interest in SVHSC	-	12,079	12,079
Net assets transferred from SVHSC for capital acquisitions	<u>7,005,419</u>	<u>-</u>	<u>7,005,419</u>
Change in net assets	<u>9,711,289</u>	<u>8,857</u>	<u>9,720,146</u>
Balances, September 30, 2020	<u>69,604,253</u>	<u>951,348</u>	<u>70,555,601</u>
Excess of revenues, gains, other support, and nonoperating gains (losses) over expenses	<b>3,798,728</b>	-	<b>3,798,728</b>
Investment gain	-	<b>2,478</b>	<b>2,478</b>
Change in interest in SVHSC	-	<b>110,227</b>	<b>110,227</b>
Net assets transferred from SVHSC for capital acquisitions	<u>202,431</u>	<u>-</u>	<u>202,431</u>
Change in net assets	<u>4,001,159</u>	<u>112,705</u>	<u>4,113,864</u>
Balances, September 30, 2021	<u>\$ <b>73,605,412</b></u>	<u>\$ <b>1,064,053</b></u>	<u>\$ <b>74,669,465</b></u>

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

**BRATTLEBORO MEMORIAL HOSPITAL. INC.**

**Statements of Cash Flows**

**Years Ended September 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ 4,113,864	\$ 9,720,146
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities		
Depreciation and amortization	3,904,162	4,216,370
Amortization of debt issuance costs, included in interest expense	22,518	21,408
Provision for bad debts	-	2,185,137
Loss on sale of equipment	911	-
Net realized gain on investments	(972,567)	(182,526)
Net unrealized gain on investments	(3,803,188)	(1,629,216)
Unrealized (gain) loss on interest rate swap	(101,373)	171,807
Change in interest in net assets of SVHSC	(110,227)	(12,079)
Net assets transferred from SVHSC for capital acquisition	(202,431)	(7,005,419)
Decrease (increase) in		
Patient and other accounts receivable, net	(6,739,252)	842,510
Supplies inventory	278,144	(160,524)
Other current assets	(299,990)	1,488,485
Due from affiliate	(95,173)	-
Increase (decrease) in		
Accounts payable	(3,677,644)	4,527,502
Accrued salaries, wages and benefits	360,548	543,667
Due to affiliate	(105,689)	51,880
Deferred revenue	-	(1,313)
Other current liabilities	2,230,767	(1,487,875)
Medicare accelerated payments	(1,156,309)	6,230,193
Estimated third-party payor settlements	159,595	(277,852)
Net cash (used) provided by operating activities	<u>(6,193,334)</u>	<u>19,242,301</u>
Cash flows from investing activities		
Purchase of property and equipment	(9,180,710)	(2,620,605)
Proceeds from sale of equipment	900	-
Proceeds from the sale of investments	6,269,096	5,660,113
Purchase of investments	(6,538,519)	(2,392,490)
Net cash (used) provided by investing activities	<u>(9,449,233)</u>	<u>647,018</u>
Cash flows from financing activities		
Additions to debt issuance costs		(200,000)
Net assets transferred from SVHSC for capital acquisition	202,431	7,005,419
Proceeds from issuance of long-term debt	1,153,724	1,869,713
Repayments of long-term debt	(980,086)	(1,290,012)
Net cash provided by financing activities	<u>376,069</u>	<u>7,385,120</u>
Net (decrease) increase in cash and cash equivalents and restricted cash	<u>(15,266,498)</u>	27,274,439
Cash and cash equivalents and restricted cash, beginning of year	<u>31,153,094</u>	<u>3,878,655</u>
Cash and cash equivalents and restricted cash, end of year	\$ <u>15,886,596</u>	\$ <u>31,153,094</u>
Breakdown of cash and cash equivalents and restricted cash, end of year:		
Cash and cash equivalents	\$ 5,505,198	\$ 20,789,148
Restricted cash included in assets limited as to use	10,381,398	10,363,946
	\$ <u>15,886,596</u>	\$ <u>31,153,094</u>
Supplementary disclosures of cash flow information:		
Cash paid for interest	\$ <u>136,856</u>	\$ <u>191,092</u>

Non-cash transactions:

At September 30, 2021 and 2020, there were \$1,609,379 and \$602,604 of construction-in-progress additions included in accounts payable, respectively.

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



# BRATTLEBORO MEMORIAL HOSPITAL, INC.

## Notes to Financial Statements

September 30, 2021 and 2020

### Nature of Business

Brattleboro Memorial Hospital, Inc. (Hospital) is a Vermont not-for-profit hospital. SVHSC, a not-for-profit organization, is the sole corporate member of the Hospital. The Hospital is a provider of healthcare services with facilities in the Brattleboro, Vermont area.

### 1. Summary of Significant Accounting Policies

#### Basis of Presentation

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

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

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

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

#### Use of Estimates

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

#### Newly Adopted Accounting Pronouncement

In 2021, the Hospital adopted FASB Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and related guidance, which supersedes accounting

# BRATTLEBORO MEMORIAL HOSPITAL, INC.

## Notes to Financial Statements

September 30, 2021 and 2020

standards that previously existed under U.S. generally accepted accounting principles and provides a single revenue model to address revenue recognition to be applied by all companies. Under the new standard, companies recognize revenue when a customer obtains control of promised goods or services in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. ASU No. 2014-09 also requires companies to disclose additional information, including the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Hospital adopted this ASU for the year ended September 30, 2021 and elected the modified retrospective method; therefore, the financial statements and related notes have been presented accordingly.

### **Cash and Cash Equivalents**

Cash and cash equivalents are held in either demand deposit or highly liquid savings deposit accounts.

### **Revenue Recognition and Accounts Receivable**

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

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

Performance obligations are determined based on the nature of the services provided by the Hospital. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Hospital believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in hospitals receiving inpatient acute care services or patients receiving services in outpatient centers. The Hospital measures the performance obligation from admission into the hospital or the commencement of an outpatient service to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Revenue from performance obligations satisfied at a point in time is generally recognized when the goods are provided to patients and customers in a retail setting (for example, cafeteria) and the Hospital does not believe it is required to provide additional goods or services related to that sale.

# BRATTLEBORO MEMORIAL HOSPITAL, INC.

## Notes to Financial Statements

September 30, 2021 and 2020

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

The Hospital determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Hospital's policy, and implicit price concessions provided to uninsured patients. The Hospital determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience. The Hospital determines its estimate of implicit price concessions based on its historical collection experience with this class of patients and records these as a direct reduction to net patient service revenue. Management continually reviews the contractual estimation process to consider and incorporate updates to laws and regulations and changes in commercial contractual terms resulting from contract negotiations and renewals.

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

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

### Medicare

Inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. The Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through September 30, 2018.

### Medicaid

Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively-determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors and are not subject to retroactive adjustment.

# BRATTLEBORO MEMORIAL HOSPITAL, INC.

## Notes to Financial Statements

September 30, 2021 and 2020

### Other Arrangements

The Hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Hospital under these agreements includes prospectively-determined rates per discharge, discounts from established charges and prospectively-determined daily rates.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result of investigations by governmental agencies, various healthcare organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Hospital's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Hospital. In addition, the contracts the Hospital has with commercial and other payors also provide for retroactive audit and review of claims.

Settlements with third-party payors for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Hospital's historical settlement activity, including a determination it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from changes in transaction price in 2021 and 2020 decreased and increased net patient service revenue by approximately \$956,000 and \$1,059,000, respectively.

Consistent with the Hospital's mission, care is provided to patients regardless of their ability to pay. Therefore, the Hospital has determined it has provided implicit price concessions to uninsured patients and other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represents the difference between amounts billed to patients and the amounts the Hospital expects to collect based on its collection history with those patients.

Patients who meet the Hospital's criteria for charity care are provided care without charge or at amounts less than established rates. Such amounts determined to qualify as charity care are not reported as revenue. The Hospital's charity care program is designed to assist those patients who are either uninsured, underinsured or have limited financial resources that impact their ability to fully pay for their hospital care. Before completing an application for charity care, patients are first asked to investigate whether or not they may be eligible for Medicare, Medicaid, Veteran's Benefits or other governmental or public assistance programs.

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

The Hospital's qualifications for charity care are as follows:

- Charity care is limited to medically necessary services. Patients receiving certain elective services, such as those considered cosmetic, investigational or experimental, are expected to make payment arrangements in advance, as these types of services are not covered by the charity care program.
- The patient's family income must be at or below 300% of the current Federal Poverty Income Guidelines for their applicable family size.

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

	<u>2021</u>	<u>2020</u>
Charges foregone, based on established rates	\$ <u>778,000</u>	\$ <u>2,546,000</u>
Estimated costs and expenses incurred to provide charity care <sup>1</sup>	\$ <u>380,000</u>	\$ <u>1,364,000</u>
Equivalent percentage of charity care services to all services	<u>0.40</u> %	<u>1.48</u> %

<sup>1</sup> The cost estimate is based on an overall cost to charge ratio applied to charges written-off as charity care.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Hospital also provides services to uninsured patients and offers those uninsured patients a discount, either by policy or law, from standard charges. The Hospital estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions based on historical collection experience. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense.

The Hospital has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors:

- Payors (for example, Medicare, Medicaid, managed care or other insurance, patient) have different reimbursement and payment methodologies;
- Length of the patient's service or episode of care;
- Method of reimbursement (fee for service or fixed prospective payment); and
- Hospital's program that provided the service.

# BRATTLEBORO MEMORIAL HOSPITAL, INC.

## Notes to Financial Statements

September 30, 2021 and 2020

For the years ended September 30, 2021 and 2020, the Hospital determined any revenue recognized from goods and services that transfer to the customer at a point in time is not material to the financial statements.

### **Supplies Inventory**

Supplies inventory is carried at the lower of cost (determined by the first-in, first-out method) or net realizable value.

### **Investments and Investment Income**

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheets. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the excess of revenues, gains, other support, and nonoperating gains (losses) over expenses unless the income or loss is restricted by donor or law.

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

The Hospital has elected the fair value option in FASB ASC 825, *Financial Instruments*, relative to its investments to simplify the presentation of all investment performance activity from investments without donor restrictions within the nonoperating gains (losses) section of the statements of operations.

### **Assets Limited as to Use**

Assets limited as to use primarily consist of assets held by trustees under indenture agreements and designated assets set aside by the Hospital's Board, over which the Board retains control and which it may, at its discretion, subsequently use for other purposes.

### **Donor-Restricted Gifts**

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

# BRATTLEBORO MEMORIAL HOSPITAL, INC.

## Notes to Financial Statements

September 30, 2021 and 2020

### **Property and Equipment**

Property and equipment acquisitions are recorded at cost, or if contributed, at fair market value determined at the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

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

### **Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Provider Relief Stimulus Funds**

The CARES Act provided funds to eligible healthcare providers to prevent, prepare for and respond to the Coronavirus Disease (COVID-19). The funds were appropriated to reimburse healthcare providers for healthcare related expenses or lost revenues that are attributable to COVID-19. The CARES Act provides the U.S. Department of Health and Human Services (HHS) with discretion to operate the program and determine the reporting requirements. During 2020, the Hospital received \$11,407,618 of HHS Provider Relief Stimulus Funds (Funds) and attested to the receipt of the Funds and agreement with the associated terms and conditions. The Hospital has chosen to follow the conditional contribution model for the Funds. At September 30, 2020, the Hospital recognized \$11,407,618 of the Funds in HHS stimulus revenue in the statements of operations. Management believes the conditions on which the Funds depend were substantially met. Management believes the position taken is a reasonable interpretation of the rules currently available. Due to the complexity of the reporting requirements and the continued issuance of clarifying guidance, there is at least a reasonable possibility the amount of income recognized related to the lost revenues and qualifying expenses may change by a material amount. Any difference between amounts previously estimated and amounts subsequently determined to be recoverable or payable will be included in income in the year that such amounts become known.

In response to the COVID-19 pandemic, the Center for Medicare and Medicaid Services (CMS) made available an accelerated and advance payment program to Medicare providers. The Hospital received \$6,230,193 of accelerated advanced payments during 2020. Under the program, CMS will begin recouping payment from claims payments one year from the date the respective advances were made to the Hospital.

### **Interest Rate Swap**

The Hospital uses an interest rate swap contract to mitigate the cash flow exposure of interest rate movements on variable-rate debt. The Hospital has adopted FASB ASC 815, *Derivatives and Hedging*, to account for its interest rate swap contract. The interest rate swap contract has not

# BRATTLEBORO MEMORIAL HOSPITAL, INC.

## Notes to Financial Statements

September 30, 2021 and 2020

been designated as a cash flow hedge and thus changes in fair value are included within nonoperating gains (losses).

### **Fixed Prospective Revenue**

The Hospital is a participant in OneCare Vermont, LLC, a statewide Accountable Care Organization (ACO). Beginning January 1, 2018, Hospital entered into a risk-bearing arrangement by participating in the Medicare Next Generation Model. Under both the Medicare Next Generation Model program and the Vermont Medicaid program, the Hospital receives monthly fixed prospective payments for services provided to attributed members. The ACO is responsible for both the cost and quality of care for each attributed member. This is true whether that person uses little or no care or whether they require services consistently throughout the year. The Hospital recognizes its share of annual contract settlements as an increase or decrease in fixed prospective revenue.

### **Employee Fringe Benefits**

The Hospital has an "earned time" plan which provides benefits to employees for paid leave hours. Under this plan, each employee earns paid leave for each period worked. These hours of paid leave may be used for vacations, holidays, or illnesses. Hours earned, but not used, are vested with the employee. The Hospital accrues a liability for such paid leave as it is earned. The earned time plan does not cover any contracted employees.

### **Excess of Revenues, Gains, Other Support, and Nonoperating Gains (Losses) Over Expenses**

The statements of operations include excess of revenues, gains, other support, and nonoperating gains (losses) over expenses. Changes in net assets without donor restrictions which are excluded from this measure, consistent with industry practice, include permanent transfers of assets to and from affiliates for other than goods and services, and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets).

### **Income Taxes**

The Hospital is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income.

### **Subsequent Events**

For purposes of the preparation of these financial statements in conformity with GAAP, management has considered transactions or events occurring through January 26, 2022, the date the financial statements were available to be issued

In November and December 2021, the Hospital received approximately \$2.2 million and \$1.7 million from the American Rescue Plan Rural Payment distribution and the Provider Relief Fund Phase 4 General distribution, respectively, administered by the Health Resources and Services Administration.



**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

**2. Net Patient Service Revenue**

Net patient service revenue consisted of the following for the years ended September 30:

	<u>2021</u>	<u>2020</u>
Gross patient service revenue	<b>195,054,997</b>	172,517,298
Less contractual allowances	<b>119,833,061</b>	106,631,715
Less charity care	<u>777,815</u>	<u>2,545,719</u>
	<b><u>120,610,876</u></b>	<b><u>109,177,434</u></b>
Patient service revenue (net of contractual allowances and discounts)	<b>74,444,121</b>	63,339,864
Less provision for bad debts	<u>-</u>	<u>2,185,137</u>
Net patient service revenue	<b><u>\$ 74,444,121</u></b>	<b><u>\$ 61,154,727</u></b>

The Hospital has agreements with CMS (Medicare) and the State of Vermont Department of Health and Human Services (Medicaid) that provide for payments at amounts different from their established rates. Revenue from the Medicare and Medicaid programs accounted for approximately 48% and 50% of the Hospital's net patient service revenue for the years ended September 30, 2021 and 2020, respectively.

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

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

As disclosed in Note 1 to these financial statements, the Hospital adopted ASU No. 2014-09 and related guidance for the year ended September 30, 2021, electing to use the modified retrospective method. Accordingly, amounts in the comparative period have not been restated and

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

continue to be reported under the accounting standards in effect for that year. The impact of adoption on the statement of operations for the year ended September 30, 2021 follows:

	<u>As Reported</u>	<u>Balance Without ASC 606 Adoption</u>	<u>Effect of Change</u>
Net patient service revenue before provision for doubtful accounts		\$ 77,273,520	
Less: Provision for doubtful accounts		<u>2,829,399</u>	
Net patient service revenue	\$ <u>74,444,121</u>	\$ <u>74,444,121</u>	\$ <u>-</u>

Net patient service revenue recognized for the years ended September 30, 2021 and 2020 from these major payors is as follows:

	<u>2021</u>	<u>2020</u>
Medicare and Medicaid	\$ 35,952,058	\$ 30,393,461
Commercial and other	35,945,826	28,859,132
Self-pay	<u>2,546,237</u>	<u>1,902,134</u>
Total	\$ <u>74,444,121</u>	\$ <u>61,154,727</u>

**3. Availability and Liquidity of Financial Assets**

The Hospital has working capital of \$2,398,853 and \$9,666,500 at September 30, 2021 and 2020, respectively, and average days (based on normal expenditures) cash and cash equivalents on hand of 22 and 86 at September 30, 2021 and 2020, respectively.

The Hospital's goal is to maintain financial assets to meet 30 days of operating expenses (\$7,499,978 and \$7,248,179 at September 30, 2021 and 2020, respectively) and to provide for a reasonable amount of liquidity to meet unexpected needs of the Hospital. The annual operating budget is determined with the goal of generating sufficient net patient service revenue and cash flows to allow the Hospital to be sustainable to support its mission and vision while also adhering to the annual budget parameters mandated by State of Vermont's Green Mountain Care Board.

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

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 5,505,198	\$ 20,789,148
Patient and other accounts receivable, net	<u>13,762,509</u>	<u>9,254,257</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>19,267,707</u>	\$ <u>30,043,405</u>

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

At September 30, 2021 and 2020, cash and cash equivalents included \$5,073,884 and \$6,230,193, respectively, specifically related to the receipt of Medicare Accelerated Payments. This represented 20 and 26, respectively, days of cash and cash equivalents on hand.

The Hospital has assets limited as to use of \$36,493,220 and \$31,448,042 at September 30, 2021 and 2020, respectively, that are designated assets set aside by the Board primarily for future capital improvements. These assets limited as to use are not available for general expenditure within the next year; however, the internally designated amounts could be made available, if necessary.

**4. Supplies Inventory**

The major classes of supplies inventory consisted of the following as of September 30:

	<u>2021</u>	<u>2020</u>
Central storeroom	\$ 372,979	\$ 254,414
Operating room	1,248,589	1,533,585
Pharmacy	396,710	482,491
340B program retail pharmacy	94,523	110,521
Other	<u>211,048</u>	<u>220,982</u>
	<u>\$ 2,323,849</u>	<u>\$ 2,601,993</u>

**5. Investments**

Investments consisted of the following as of September 30:

	<u>2021</u>	<u>2020</u>
Assets limited as to use internally designated		
Cash and cash equivalents	\$ 9,499,570	\$ 12,363,198
Marketable equity securities	16,894,485	10,369,655
Mutual funds	10,099,165	8,213,652
U.S. Treasury securities	<u>-</u>	<u>501,537</u>
	<u>\$ 36,493,220</u>	<u>\$ 31,448,042</u>
Assets limited as to use under bond agreement for capital acquisition		
Cash and cash equivalents	<u>\$ 10,326,766</u>	<u>\$ 10,311,792</u>
Other investments with donor restrictions		
Cash and cash equivalents	<u>\$ 54,632</u>	<u>\$ 52,154</u>

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

Investment income (loss) and gains (losses) on assets limited as to use are comprised of the following:

	<u>2021</u>	<u>2020</u>
Income (loss)		
Interest and dividend income, net of fees		
Assets limited as to use internally designated	\$ 284,271	\$ 454,198
Other investments with donor restrictions	<u>2,478</u>	<u>(3,222)</u>
	<b>286,749</b>	450,976
Net realized gain on investments		
Assets limited as to use internally designated	<u>972,567</u>	<u>182,526</u>
Total investment income	<u>\$ 1,259,316</u>	<u>\$ 633,502</u>
Change in net unrealized gains (losses) on investments		
Assets limited as to use internally designated	<u>\$ 3,803,188</u>	<u>\$ 1,629,216</u>

Funds with Deficiencies

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level of the donors' original gift(s) or what the Uniform Prudent Management of Institutional Funds Act may require the Hospital to retain as a fund of perpetual duration (underwater). The Hospital's policy prohibits appropriating amounts from underwater endowment funds. There were no deficiencies of this nature that are reported in net assets with donor restrictions as of September 30, 2021 and 2020.

**6. Property and Equipment**

As of September 30, 2021 and 2020, the cost and accumulated depreciation of depreciable assets by major classes of assets were as follows:

	<u>2021</u>	<u>2020</u>
Land	\$ 45,499	\$ 45,499
Land improvements	2,353,172	2,353,172
Building and improvements	44,090,690	43,990,564
Major moveable equipment	29,149,444	27,737,532
Construction-in-progress	<u>11,838,112</u>	<u>3,233,127</u>
	<b>87,476,917</b>	77,359,894
Less accumulated depreciation	<u>56,418,432</u>	<u>53,095,180</u>
	<u>\$ 31,058,485</u>	<u>\$ 24,264,714</u>

Depreciation expense for the years ended September 30, 2021 and 2020 was \$3,391,903 and \$3,704,053, respectively.

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

**7. Borrowings**

On December 1, 2019, the Hospital entered into a loan agreement with Vermont Educational and Health Buildings Finance Agency issuing a draw down bond not to exceed \$12,500,000 (Brattleboro Memorial Hospital Project 2019 Series A). The draw down bond is held by People's United Muni Finance Corporation. The proceeds are being used to finance the Hospital's capital improvement project. Interest on the bond is based on monthly rates as determined by the loan and trust agreement. Monthly interest payments began February 1, 2020 on the outstanding principal drawn. Semi-annual principal payments due June and December 1st commence on December 1, 2022 and end on December 1, 2049. The draw down bond is collateralized by the assets of the Hospital.

As part of the loan agreement, the Hospital was required to deposit funds into an equity account held by People's United Bank for the payment of the Hospital's share of the capital improvement project costs in an amount not less than \$10,000,000. Any balance remaining in the equity account at the completion of the capital improvement project will be returned to the Hospital.

On June 1, 2016, the Hospital entered into a loan agreement with Vermont Educational and Health Buildings Finance Agency issuing \$10,500,000 in direct placement bonds (Brattleboro Memorial Hospital Project 2016 Series A). The bonds are held by Peoples United Bank. The proceeds were used to advance refund the previously issued Series 2008 A bonds, terminate the associated swap agreement, and finance the Hospital's capital expenditures. Interest on the bonds is based on monthly rates as determined by the loan and trust agreement. The Hospital may prepay certain of the bonds according to the terms of the loan and trust agreement. The bonds are collateralized by the assets of the Hospital.

There are various restrictive covenants, which include compliance with certain financial ratios and a detail of events constituting defaults. The Hospital is in compliance with these requirements at September 30, 2021.

Long-term debt consisted of the following as of September 30:

	<u>2021</u>	<u>2020</u>
Series 2019 A bond with variable rate interest (1.26794% at September 30, 2021), payable in monthly installments of interest only through December 1, 2022.	\$ <b>2,989,378</b>	\$ 1,869,551
Series 2016 A bonds with variable rate interest (0.70448% at September 30, 2021), payable in monthly installments, including interest, of approximately \$92,205 through February 2027.	<b>5,558,962</b>	6,534,187
Equipment note payable in 72 monthly installments of \$507 including interest (fixed rate of 2.49%), through November 2026. Collateralized by the equipment.	<u><b>29,036</b></u>	<u>-</u>

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Total long-term debt before unamortized bond issuance costs	8,577,376	8,403,738
Less: unamortized bond issuance costs	<u>272,320</u>	<u>294,838</u>
Total long-term debt	8,305,056	8,108,900
Less current portion	<u>997,328</u>	<u>975,403</u>
Total long-term debt, excluding current portion	<u>\$ 7,307,728</u>	<u>\$ 7,133,497</u>

Maturities for long-term debt in subsequent fiscal years ending September 30 are as follows:

2022 (included in current liabilities)	\$ 997,328
2023	1,114,429
2024	1,131,484
2025	1,149,119
2026	1,166,401
Thereafter	<u>3,018,615</u>
	<u>\$ 8,577,376</u>

**Interest Rate Swap**

In connection with the issuance of the Series 2016 A Bonds, the Hospital entered into an interest rate swap agreement for ten years for \$10,500,000, or 100% of the original bond issue, to hedge the interest rate risk associated with the Series 2016 A Bonds. The notional amount of the swap will amortize such that it is equal to 100% of the outstanding bond balance. The interest rate swap agreement requires the Hospital to pay a bank, the swap counterparty, a fixed rate of 1.0375% in exchange for the counterparty's payment to the Hospital of a variable rate based on 68% of the one-month USD-LIBOR-BBA rate.

The Hospital is required to include the fair value of the swap in the balance sheet, and annual changes, if any, in the fair value of the swap in the statements of operations. For example, during the term of the swap, the annually calculated value of the swap will be reported as an asset if interest rates increase above those expected on the date the swap was entered into (as an unrealized gain in the statements of operations), which will generally be indicative that the net fixed rate the Hospital is paying is below market expectations of rates during the remaining term of the swap. The swap will be reported as a liability (as an unrealized loss in the statements of operations) if interest rates decrease below those expected on the date the swap was entered into, which will generally be indicative that the net fixed rate the Hospital is paying on the swap is above market expectations of rates during the remaining term of the swap. These annual accounting adjustments of value changes in the swap transaction are non-cash recognition requirements, the net effect of which will be zero at the end of the swap's term. The Hospital retains the right to terminate the swap agreement should the need arise. The Hospital recorded the swap at its liability position of \$90,024 and \$191,397 at September 30, 2021 and 2020, respectively.

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

**8. Net Assets With Donor Restrictions**

Net assets with donor restrictions are available for the following purposes at September 30:

	<u>2021</u>	<u>2020</u>
Funds with donor restrictions temporary in nature		
Auxiliary programs	\$ 54,632	\$ 52,154
Charity care	106,086	82,381
Other programs	<u>624,293</u>	<u>537,771</u>
Total funds maintained with donor restrictions temporary in nature	<u>785,011</u>	<u>672,306</u>
Funds maintained in perpetuity, the income from which is expendable for:		
Medical library	1,202	1,202
Capital	20,000	20,000
Unrestricted purposes	<u>257,840</u>	<u>257,840</u>
Total funds maintained with donor restrictions held in perpetuity	<u>279,042</u>	<u>279,042</u>
Total net assets with donor restrictions	<u>\$ 1,064,053</u>	<u>\$ 951,348</u>

**9. Functional Expenses**

The statements of operations report certain expense categories that are attributable to both healthcare services and administrative support. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Fringe benefits are allocated based on wages, postage and freight are allocated on the basis of supply costs, and depreciation, interest, utilities and general repairs are allocated based on square footage. Expenses related to healthcare services and administrative support were as follows for the years ended September 30:

<u>2021</u>	<u>Healthcare Services</u>	<u>Administrative Support</u>	<u>Total</u>
Salaries, wages, and benefits	\$ 47,298,512	\$ 6,781,653	\$ 54,080,165
Supplies and other	14,594,002	2,071,715	16,665,717
Contract services	11,597,371	4,079,625	15,676,996
Depreciation and amortization	1,213,988	2,690,174	3,904,162
Health care improvement tax	4,680,807	-	4,680,807
Interest expense	<u>83,413</u>	<u>62,629</u>	<u>146,042</u>
	<u>\$ 79,468,093</u>	<u>\$ 15,685,796</u>	<u>\$ 95,153,889</u>

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

<u>2020</u>	<u>Healthcare Services</u>	<u>Administrative Support</u>	<u>Total</u>
Salaries, wages, and benefits	\$ 45,640,287	\$ 6,541,601	\$ 52,181,888
Supplies and other	13,243,740	1,879,951	15,123,691
Contract services	11,639,512	4,094,416	15,733,928
Depreciation and amortization	2,408,232	1,808,138	4,216,370
Health care improvement tax	5,006,382	-	5,006,382
Interest expense	<u>80,130</u>	<u>60,163</u>	<u>140,293</u>
	<u>\$ 78,018,283</u>	<u>\$ 14,384,269</u>	<u>\$ 92,402,552</u>

**10. Concentrations of Credit Risk**

The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at September 30, 2021 and 2020 was as follows:

	<u>2021</u>	<u>2020</u>
Medicare	33 %	30 %
Other third-party payors	22	21
Patient	27	29
Blue Cross	8	9
Medicaid	<u>10</u>	<u>11</u>
	<u>100 %</u>	<u>100 %</u>

The Hospital maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Hospital has not experienced any losses in such accounts. The Hospital believes it is not exposed to any significant risk on cash and cash equivalents.

**11. Health Care Improvement Tax**

Effective July 1, 1991, a health care improvement tax was imposed on hospitals, nursing homes, and home health agencies as part of a program to upgrade services in Vermont. The State of Vermont pays the Hospital with funds received from the health care improvement trust fund and federal matching funds. Hospitals in Vermont are assessed a certain percentage of net patient service revenue which is determined annually by the General Assembly. The following tax was paid and disproportionate share funds received for the years ended September 30:

	<u>2021</u>	<u>2020</u>
Disproportionate share received	\$ 631,732	\$ 532,030
Medicaid assessment expensed	<u>(4,680,807)</u>	<u>(5,006,382)</u>
	<u>\$ (4,049,075)</u>	<u>\$ (4,474,352)</u>



# BRATTLEBORO MEMORIAL HOSPITAL, INC.

## Notes to Financial Statements

September 30, 2021 and 2020

### 12. Commitments and Contingencies

Self-Funded Insurance Plans - The Hospital is self-insured with respect to healthcare coverage. This coverage is used to provide medical health benefits to its eligible employees and their eligible dependents. An accrual for management's estimate of healthcare claims incurred, but not reported, is included in other accrued expenses in the balance sheets.

Professional Liability Insurance - The Hospital is insured against malpractice loss contingencies under a claims-made insurance policy. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrence during its term, but reported subsequently, will be uninsured. The Hospital has also created a tail coverage reserve in the event that insurance providers are changed. This reserve was \$338,659 and \$677,618 as of September 30, 2021 and 2020, respectively. The Hospital is subject to complaints, claims and litigation due to potential claims which arise in the normal course of business. FASB ASC 954-450, *Health Care Entities - Contingencies*, provides clarification to companies in the healthcare industry on the accounting for professional liability and similar insurance. ASC 954-450 states that insurance liabilities should not be presented net of insurance recoveries and that an insurance receivable should be recognized on the same basis as the liabilities, subject to the need for a valuation allowance for uncollectible accounts. The Hospital has evaluated its exposure to losses arising from identifiable potential claims and has properly accounted for them in the balance sheets for the years ended September 30, 2021 and 2020.

Litigation - In the normal course of business, the Hospital may be involved in litigation and annual third-party audits. Management, as part of its ongoing risk management, consults with its legal counsel to assess the impact of these matters on the Hospital.

Emergency Department Physician Staffing - The Hospital has an agreement with Dartmouth-Hitchcock Clinic to provide twenty-four hour per day physician staffing for its emergency department. Contract rates are reviewed annually and adjusted, if required, by the mutual consent of both parties. The agreement can be terminated at any time by mutual consent of both parties or by either party with 60-day prior written notification. The agreement renews on an annual basis.

Construction and Renovation Project - In December 2016, the Hospital filed a Certificate of Need (CON) application with the State of Vermont to build a new four story medical office building to be known as the Ron Reed building, renovate the existing operating room suite and perioperative area, and replace the Hospital's three boilers. In October 2017, the State of Vermont approved the CON application and in October 2021, an amended CON was approved to increase the total anticipated cost of the project from approximately \$23 million to approximately \$27 million. The Hospital is funding the project using internally designated investments and new tax-exempt borrowings. The Hospital has a construction contract commitment of approximately \$17 million related to the project. The project is expected to be completed in October 2023.

The Hospital has paid or accrued costs of approximately \$10.6 million for the CON project as of September 30, 2021.

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

Deferred System Development Costs - During 2016, the Hospital entered into an agreement with Cerner Corporation (Cerner) to implement a hospital-wide electronic health record (EHR) system. The Cerner agreement has an initial term of seven years with successive 12-month terms. The costs incurred by the Hospital related to the implementation of the EHR system through June 1, 2017, the date the EHR system was placed in service, have been deferred and are being amortized over the remaining term of the Cerner agreement. Net deferred system development costs as of September 30, 2021 and 2020 were \$725,841 and \$1,238,100, respectively. Associated amortization expense was \$512,259 in 2021 and 2020. The following is a schedule of future amortization of deferred system development costs as of September 30, 2021:

2022	\$ 512,317
2023	<u>213,524</u>
	<u>\$ 725,841</u>

The following schedule reflects the Hospital's minimum payments to Cerner under the agreement for future subscription, transaction, and maintenance services as of September 30, 2021:

2022	\$ 756,096
2023	<u>121,331</u>
	<u>\$ 877,427</u>

**13. Related Party Transactions**

The Hospital contracts with SVHSC for management services. The Hospital recorded \$1,320,000 and \$1,319,999 in management service expenses in September 30, 2021 and 2020, respectively. As of September 30, 2021 and 2020, the Hospital had a receivable due from SVHSC of \$95,173 and a payable due to SVHSC of \$105,689, respectively.

In accordance with FASB ASC 958, the Hospital has recognized an interest in the net assets of SVHSC for assets donated to SVHSC with the Hospital designated as the beneficiary.

**14. Retirement Plans**

The Hospital has a defined contribution plan for active employees to which the Hospital contributes 5% of the annual salary of the participating employee. Plan expense for the years ended September 30, 2021 and 2020 was \$1,482,632 and \$1,398,419, respectively.

The Hospital also has a defined contribution plan for active employees to which the Hospital contributes a matching contribution. In order to receive the match, employees must meet certain eligibility requirements. The Hospital matches 100% of elective deferrals to a limit based on years of service. Participants must be employed on the last day of the calendar year in order to receive the match. Plan expense for the years ended September 30, 2021 and 2020 was \$203,662 and \$178,572, respectively.

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

**15. Fair Value Measurement**

FASB ASC 820, *Fair Value Measurement*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

- Level 1:** Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2:** Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.
- Level 3:** Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

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

	<u>Fair Value Measurements at September 30, 2021</u>		
	<u>Total</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<b>Assets:</b>			
Investments			
Cash and short-term investments	\$ 19,880,968	\$ 19,880,968	\$ -
Marketable equity securities	16,894,485	16,894,485	-
Mutual funds	<u>10,099,165</u>	<u>10,099,165</u>	-
Total assets	<u>\$ 46,874,618</u>	<u>\$ 46,874,618</u>	<u>\$ -</u>
<b>Liabilities:</b>			
Interest rate swap	<u>\$ 90,024</u>	<u>\$ -</u>	<u>\$ 90,024</u>

**BRATTLEBORO MEMORIAL HOSPITAL, INC.**

**Notes to Financial Statements**

**September 30, 2021 and 2020**

	<u>Fair Value Measurements at September 30, 2020</u>		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
	<u>Total</u>		
<b>Assets:</b>			
Investments			
Cash and short-term investments	\$ 22,727,144	\$ 22,727,144	\$ -
U.S. Treasury obligations and government securities	501,537	501,537	-
Marketable equity securities	10,369,655	10,369,655	-
Mutual funds	<u>8,213,652</u>	<u>8,213,652</u>	<u>-</u>
 Total assets	 <u>\$ 41,811,988</u>	 <u>\$ 41,811,988</u>	 <u>\$ -</u>
<b>Liabilities:</b>			
Interest rate swap	<u>\$ 191,397</u>	<u>\$ -</u>	<u>\$ 191,397</u>

The fair value of Level 2 assets is primarily based on quoted market prices of the underlying or similar instruments, interest rates, and credit risk. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

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

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**  
▶ **Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.**

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

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

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

<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>Brattleboro Memorial Hospital</b>	Taxpayer identification number (TIN) <b>03-0107300</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>17 Belmont Avenue</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>Brattleboro, VT 05301</b>	

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

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

**Laura Bruno**

- The books are in the care of ▶ **17 Belmont Avenue - Brattleboro, VT 05301**  
Telephone No. ▶ **(802) 257-8385** Fax No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and TINs of all members the extension is for.

**1** I request an automatic 6-month extension of time until **August 15, 2022**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year \_\_\_\_\_ or  
 ▶  tax year beginning **OCT 1, 2020**, and ending **SEP 30, 2021**.

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

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

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