

Form **990**

Department of the Treasury  
Internal Revenue Service

# Return of Organization Exempt From Income Tax

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

▶ 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.

OMB No. 1545-0047

**2021**

Open to Public Inspection

**A** For the **2021** calendar year, or tax year beginning **MAY 1, 2021** and ending **APR 30, 2022**

<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 <div style="border: 1px solid black; padding: 2px;">Mount Desert Island Hospital</div> Doing business as <div style="border: 1px solid black; padding: 2px;">Number and street (or P.O. box if mail is not delivered to street address) Room/suite</div> <div style="border: 1px solid black; padding: 2px;">P.O. Box 8, 10 Wayman Lane</div> City or town, state or province, country, and ZIP or foreign postal code <div style="border: 1px solid black; padding: 2px;">Bar Harbor, ME 04609-0008</div> <b>F</b> Name and address of principal officer: <b>Christina Maguire</b> same as C above	<b>D</b> Employer identification number <div style="border: 1px solid black; padding: 2px;">01-0211797</div> <b>E</b> Telephone number <div style="border: 1px solid black; padding: 2px;">207-288-5081</div> <b>G</b> Gross receipts \$ <b>103,330,944.</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.mdihospital.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>1897</b> <b>M</b> State of legal domicile: <b>ME</b>		

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>Critical access hospital, providing medical &amp; healthcare services located in Bar Harbor, ME.</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. <b>3</b> Number of voting members of the governing body (Part VI, line 1a) ..... <b>3</b> <b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) ..... <b>4</b> <b>5</b> Total number of individuals employed in calendar year 2021 (Part V, line 2a) ..... <b>541</b> <b>6</b> Total number of volunteers (estimate if necessary) ..... <b>50</b> <b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 ..... <b>2,419.</b> <b>b</b> Net unrelated business taxable income from Form 990-T, Part I, line 11 ..... <b>0.</b>	<b>3</b>	<b>18</b>
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h) ..... <b>10,973,197.</b> <b>9</b> Program service revenue (Part VIII, line 2g) ..... <b>71,036,695.</b> <b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) ..... <b>1,223,942.</b> <b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) ..... <b>-10,405.</b> <b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) ..... <b>83,223,429.</b>	<b>10,973,197.</b>	<b>10,755,050.</b>
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3) ..... <b>32,500.</b> <b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) ..... <b>0.</b> <b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) ..... <b>43,253,973.</b> <b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) ..... <b>0.</b> <b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>137,302.</b> <b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) ..... <b>30,128,379.</b> <b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) ..... <b>73,414,852.</b> <b>19</b> Revenue less expenses. Subtract line 18 from line 12 ..... <b>9,808,577.</b>	<b>32,500.</b>	<b>28,000.</b>
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16) ..... <b>82,649,941.</b> <b>21</b> Total liabilities (Part X, line 26) ..... <b>43,151,350.</b> <b>22</b> Net assets or fund balances. Subtract line 21 from line 20 ..... <b>39,498,591.</b>	<b>82,649,941.</b>	<b>84,300,625.</b>

**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 <div style="border: 1px solid black; padding: 2px;"><i>Michelle Smith</i></div> Date <div style="border: 1px solid black; padding: 2px;"><b>3.3.2023</b></div>	
	Type or print name and title <div style="border: 1px solid black; padding: 2px;"><b>Michelle Smith, Treasurer/CFO</b></div>	
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <div style="border: 1px solid black; padding: 2px;"><b>Connor Smart</b></div> Preparer's signature <div style="border: 1px solid black; padding: 2px;"><i>Connor Smart</i></div> Date <div style="border: 1px solid black; padding: 2px;"><b>03/02/23</b></div> Check if self-employed <input type="checkbox"/> PTIN <div style="border: 1px solid black; padding: 2px;"><b>P02285543</b></div>	Firm's name ▶ <b>Baker Newman &amp; Noyes</b> Firm's EIN ▶ <b>01-0494526</b> Firm's address ▶ <b>P.O. Box 507</b> <div style="border: 1px solid black; padding: 2px;"><b>Portland, ME 04112</b></div> Phone no. (207) 879-2100

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:

Mount Desert Island Hospital's mission is to provide compassionate care and strengthen the health of our community by embracing tomorrow's methods and respecting time-honored values.

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

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code: ) (Expenses \$ 61,323,709. including grants of \$ 28,000. ) (Revenue \$ 80,120,830. )

In fiscal year 2022, Mount Desert Island (MDI) Hospital provided \$5,191,894 in services for which no compensation was expected or received. Financial assistance policies exist to provide relief for those who cannot pay for medical care. MDI Hospital provides care to persons covered by governmental programs including Medicare, Medicaid, VA, and CHAMPUS. The unreimbursed value for providing care to these patients approximates \$903,620. The Hospital continues to provide a number of health services and preventative health programs to the community. Available programs include cardiac pulmonary rehabilitation, care coordination, wellness programs, diabetes education, annual wellness exams, nutrition counseling, parenting, pregnancy and sibling classes, physical and occupational therapy programs, speech therapy,

**4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )**4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )**4d** Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses **61,323,709.**Form **990** (2021)

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> 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>	<b>1</b> X	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions	<b>2</b> X	
<b>3</b> 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>	<b>3</b>	X
<b>4</b> <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>	<b>4</b> X	
<b>5</b> 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 Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i>	<b>5</b>	X
<b>6</b> 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>	<b>6</b>	X
<b>7</b> 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>	<b>7</b>	X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	<b>8</b>	X
<b>9</b> 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>	<b>9</b>	X
<b>10</b> 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>	<b>10</b> X	
<b>11</b> 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.		
<b>a</b> 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>	<b>11a</b> X	
<b>b</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>	<b>11b</b>	X
<b>c</b> 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>	<b>11c</b>	X
<b>d</b> 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>	<b>11d</b>	X
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<b>11e</b> X	
<b>f</b> 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>	<b>11f</b> X	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	<b>12a</b>	X
<b>b</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>	<b>12b</b> X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<b>13</b>	X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?	<b>14a</b>	X
<b>b</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>	<b>14b</b>	X
<b>15</b> 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>	<b>15</b>	X
<b>16</b> 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>	<b>16</b>	X
<b>17</b> 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. See instructions</i>	<b>17</b>	X
<b>18</b> 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>	<b>18</b>	X
<b>19</b> 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>	<b>19</b>	X
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	<b>20a</b> X	
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<b>20b</b> X	
<b>21</b> 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>	<b>21</b>	X

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	<b>22</b> X	
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	<b>23</b> X	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a	<b>24a</b> X	
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	<b>24b</b>	X
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	<b>24c</b>	X
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	<b>24d</b>	X
<b>25a</b> <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	<b>25a</b>	X
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	<b>25b</b>	X
<b>26</b> Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II	<b>26</b>	X
<b>27</b> Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III	<b>27</b>	X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV	<b>28a</b>	X
<b>b</b> A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV	<b>28b</b>	X
<b>c</b> A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? If "Yes," complete Schedule L, Part IV	<b>28c</b>	X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	<b>29</b> X	
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	<b>30</b>	X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	<b>31</b>	X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	<b>32</b>	X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	<b>33</b>	X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	<b>34</b> X	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?	<b>35a</b> X	
<b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	<b>35b</b> X	
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	<b>36</b>	X
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	<b>37</b>	X
<b>38</b> Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19?	<b>38</b> X	

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

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
<b>1a</b> Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable	<b>1a</b> 88	
<b>b</b> Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable	<b>1b</b> 0	
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<b>1c</b> X	

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

		Yes	No
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return .....	<b>2a</b> 541		
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? .....	<b>2b</b>	X	
<b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. See instructions.			
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year? .....	<b>3a</b>	X	
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O .....	<b>3b</b>	X	
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? .....	<b>4a</b>		X
<b>b</b> If "Yes," enter the name of the foreign country ▶ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? .....	<b>5a</b>		X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? .....	<b>5b</b>		X
<b>c</b> If "Yes" to line 5a or 5b, did the organization file Form 8886-T? .....	<b>5c</b>		
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? .....	<b>6a</b>		X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? .....	<b>6b</b>		
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>			
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? .....	<b>7a</b>		X
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided? .....	<b>7b</b>		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? .....	<b>7c</b>		X
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year .....	<b>7d</b>		
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? .....	<b>7e</b>		X
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? .....	<b>7f</b>		X
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? .....	<b>7g</b>		
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? .....	<b>7h</b>		
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? .....	<b>8</b>		
<b>9 Sponsoring organizations maintaining donor advised funds.</b>			
<b>a</b> Did the sponsoring organization make any taxable distributions under section 4966? .....	<b>9a</b>		
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? .....	<b>9b</b>		
<b>10 Section 501(c)(7) organizations.</b> Enter:			
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12 .....	<b>10a</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities .....	<b>10b</b>		
<b>11 Section 501(c)(12) organizations.</b> Enter:			
<b>a</b> Gross income from members or shareholders .....	<b>11a</b>		
<b>b</b> Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) .....	<b>11b</b>		
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? .....	<b>12a</b>		
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year .....	<b>12b</b>		
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>			
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state? .....	<b>13a</b>		
<b>Note:</b> See the instructions for additional information the organization must report on Schedule O.			
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans .....	<b>13b</b>		
<b>c</b> Enter the amount of reserves on hand .....	<b>13c</b>		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year? .....	<b>14a</b>		X
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O .....	<b>14b</b>		
<b>15</b> Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? .....	<b>15</b>		X
If "Yes," see the instructions and file Form 4720, Schedule N.			
<b>16</b> Is the organization an educational institution subject to the section 4968 excise tax on net investment income? .....	<b>16</b>		X
If "Yes," complete Form 4720, Schedule O.			
<b>17 Section 501(c)(21) organizations.</b> Did the trust, any disqualified person, or mine operator engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953? .....	<b>17</b>		
If "Yes," complete Form 6069.			

**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

☒**Section A. Governing Body and Management**

	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year ..... <b>1a</b> 18 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
<b>b</b> Enter the number of voting members included on line 1a, above, who are independent ..... <b>1b</b> 16		
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? .....	<b>2</b>	X
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? .....	<b>3</b>	X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? .....	<b>4</b>	X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? .....	<b>5</b>	X
<b>6</b> Did the organization have members or stockholders? .....	<b>6</b>	X
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? .....	<b>7a</b>	X
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? .....	<b>7b</b>	X
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body? .....	<b>8a</b>	X
<b>b</b> Each committee with authority to act on behalf of the governing body? .....	<b>8b</b>	X
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O .....	<b>9</b>	X

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

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

**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.  
☒ Own website    ☐ Another's website    ☒ Upon request    ☐ Other (explain on Schedule O)

**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 **Michelle Smith, CFO - 207-288-5081**  
**P.O. Box 8, 10 Wayman Lane, Bar Harbor, ME 04609-0008**

**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 the 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, Form 1099-MISC, and/or box 1 of Form 1099-NEC) 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 the 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/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(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) Stu Davidson, MD Physician	40.00 0.00					X		582,441.	0.	30,555.
(2) Charles Hendricks, MD Physician	40.00 0.00					X		552,293.	0.	27,927.
(3) Aaron Perme, MD Physician	40.00 0.00					X		439,895.	0.	19,609.
(4) Katherine Gassman, MD Physician	40.00 0.00					X		366,562.	0.	12,636.
(5) Christina Maguire President & CEO	40.00 2.00	X		X				333,736.	0.	28,071.
(6) Peter Ossanna, MD Physician	40.00 0.00					X		311,478.	0.	37,684.
(7) Nathan Donaldson, MD Trustee/Med. Staff Pres. (end 6/21)	40.00 0.00	X						253,207.	0.	36,518.
(8) Peter Witham, MD Trustee/Physician	40.00 0.00	X						218,049.	0.	30,301.
(9) Michelle Smith Treasurer & CFO	40.00 2.00			X				154,949.	0.	37,389.
(10) Julian Kuffler, MD 2nd Vice Chair/Physician	40.00 0.00	X		X				166,927.	0.	24,450.
(11) William Grant Interim CFO (end 7/2021)	40.00 2.00			X				110,607.	0.	31,850.
(12) Morgan Mackenzie Clerk/Secretary	40.00 0.00			X				54,469.	0.	15,792.
(13) Enoch Albert Trustee	1.00 1.00	X						0.	0.	0.
(14) Reverend Robert Benson Trustee (end 4/2022)	1.00 0.00	X						0.	0.	0.
(15) Edward Benz, MD Trustee	1.00 0.00	X						0.	0.	0.
(16) Stewart Brecher Trustee	1.00 0.00	X						0.	0.	0.
(17) James R. Bright Trustee	1.00 0.00	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(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) Sarah Fina Trustee	1.00 0.00	X						0.	0.	0.
(19) Elsie Flemings Trustee	1.00 0.00	X						0.	0.	0.
(20) Richard Fox Trustee/Chair, BBRV (end 8/21)	1.00 0.00	X						0.	0.	0.
(21) Edward Gilmore, MD Trustee	1.00 0.00	X						0.	0.	0.
(22) Charles Manee Hutchins Trustee	1.00 0.00	X						0.	0.	0.
(23) Vince Messer, PhD Trustee	1.00 0.00	X						0.	0.	0.
(24) Dean S. Read Trustee	1.00 0.00	X						0.	0.	0.
(25) William Rudolf Trustee (deceased 2/2022)	1.00 0.00	X						0.	0.	0.
(26) Ed Samek Trustee	1.00 0.00	X						0.	0.	0.
<b>1b Subtotal</b>								3,544,613.	0.	332,782.
<b>c Total from continuation sheets to Part VII, Section A</b>								0.	0.	0.
<b>d Total (add lines 1b and 1c)</b>								3,544,613.	0.	332,782.

**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

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- 3** Did the organization list any **former** officer, director, trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4	X	
5		X

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
Therapy Partners, LLC 7 Hillview Drive, Bangor, ME 04401	Physical Therapy Services	918,369.
Triage LLC 12020 Pacific Street, Omaha, NE 68154-3507	Healthcare Consultancy	376,271.
Surapeneni P. Ramanadha Rao 58 Main Street, Bucksport, ME 04416	Physician Services	315,000.
eClinicalWorks 2 Technology Drive, Westborough, MA 01581	Software Support and Solutions	204,202.
Baker Newman & Noyes 280 Fore Street, Portland, ME 04101	Tax and Audit Services	134,079.

**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

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See Part VII, Section A Continuation sheets

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**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
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<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>				
	<b>e</b>	Government grants (contributions) .....	<b>1e</b>	5,251,811.			
	<b>f</b>	All other contributions, gifts, grants, and similar amounts not included above ...	<b>1f</b>	5,503,239.			
	<b>g</b>	Noncash contributions included in lines 1a-1f	<b>1g</b>	\$ 155,447.			
	<b>h</b>	<b>Total.</b> Add lines 1a-1f .....		10,755,050.			
<b>Program Service Revenue</b>	<b>2 a</b>	Patient services .....	Business Code	621990	77,141,134.	77,141,134.	
	<b>b</b>	Pharmacy .....	621400	1,831,381.	1,831,381.		
	<b>c</b>	Other operations .....	621400	894,071.	894,071.		
	<b>d</b>	Cafeteria .....	722514	177,924.	177,924.		
	<b>e</b>	Healthcare administration .....	621400	76,320.	76,320.		
	<b>f</b>	All other program service revenue .....					
	<b>g</b>	<b>Total.</b> Add lines 2a-2f .....		80,120,830.			
	<b>Other Revenue</b>	<b>3</b>	Investment income (including dividends, interest, and other similar amounts) .....		1,118,071.		
<b>4</b>		Income from investment of tax-exempt bond proceeds .....					
<b>5</b>		Royalties .....					
<b>6 a</b>		Gross rents .....	(i) Real	57,600.			
<b>b</b>		Less: rental expenses .....	(ii) Personal	44,473.			
<b>c</b>		Rental income or (loss) .....		13,127.			
<b>d</b>		Net rental income or (loss) .....		13,127.		2,419.	10,708.
<b>7 a</b>		Gross amount from sales of assets other than inventory .....	(i) Securities	6,420,364.	4,859,029.		
<b>b</b>		Less: cost or other basis and sales expenses .....	(ii) Other	6,399,357.	2,307,631.		
<b>c</b>		Gain or (loss) .....		21,007.	2,551,398.		
<b>d</b>		Net gain or (loss) .....		2,572,405.			2,572,405.
<b>8 a</b>		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 .....					
<b>b</b>		Less: direct expenses .....					
<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>b</b>	Less: direct expenses .....						
<b>c</b>	Net income or (loss) from gaming activities .....						
<b>10 a</b>	Gross sales of inventory, less returns and allowances .....						
<b>b</b>	Less: cost of goods sold .....						
<b>c</b>	Net income or (loss) from sales of inventory .....						
<b>Miscellaneous Revenue</b>	<b>11 a</b>	.....	Business Code				
	<b>b</b>	.....					
	<b>c</b>	.....					
	<b>d</b>	All other revenue .....					
	<b>e</b>	<b>Total.</b> Add lines 11a-11d .....					
	<b>12</b>	<b>Total revenue.</b> See instructions .....		94,579,483.	80,120,830.	2,419.	3,701,184.

**Part IX Statement of Functional Expenses**

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22	28,000.	28,000.		
<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	1,496,315.	1,178,017.	318,298.	
<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	34,880,187.	27,381,933.	7,398,522.	99,732.
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	673,822.	530,486.	143,336.	
<b>9</b> Other employee benefits	8,247,060.	6,492,740.	1,754,320.	
<b>10</b> Payroll taxes	2,392,971.	1,883,937.	509,034.	
<b>11</b> Fees for services (nonemployees):				
<b>a</b> Management				
<b>b</b> Legal	113,735.		113,735.	
<b>c</b> Accounting	98,010.		98,010.	
<b>d</b> Lobbying	7,605.		7,605.	
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees	38,250.		38,250.	
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	7,698,770.	5,454,588.	2,244,182.	
<b>12</b> Advertising and promotion	119,948.	84,983.	34,965.	
<b>13</b> Office expenses	1,141,970.	782,469.	321,931.	37,570.
<b>14</b> Information technology	3,882,041.	2,750,431.	1,131,610.	
<b>15</b> Royalties				
<b>16</b> Occupancy	1,853,112.	1,312,932.	540,180.	
<b>17</b> Travel	306,253.	216,981.	89,272.	
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings	495,727.	351,223.	144,504.	
<b>20</b> Interest	205,202.	160,276.	44,926.	
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization	1,889,244.	1,431,595.	457,649.	
<b>23</b> Insurance	929,318.	658,423.	270,895.	
<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> Medical supplies	7,320,189.	5,186,362.	2,133,827.	
<b>b</b> Provision for bad debt	3,542,774.	3,542,774.		
<b>c</b> Hospital provider tax	1,223,123.	1,223,123.		
<b>d</b> Equipment rent./maint.	567,607.	402,150.	165,457.	
<b>e</b> All other expenses	388,547.	270,286.	118,261.	
<b>25</b> Total functional expenses. Add lines 1 through 24e	79,539,780.	61,323,709.	18,078,769.	137,302.
<b>26</b> Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

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

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

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	2,351.	<b>1</b>	2,550.
	<b>2</b> Savings and temporary cash investments .....	21,572,690.	<b>2</b>	20,944,843.
	<b>3</b> Pledges and grants receivable, net .....	1,289,574.	<b>3</b>	3,674,606.
	<b>4</b> Accounts receivable, net .....	8,668,559.	<b>4</b>	11,075,510.
	<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 .....	510,114.	<b>8</b>	554,048.
	<b>9</b> Prepaid expenses and deferred charges .....	639,959.	<b>9</b>	802,189.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 62,529,084.		
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 35,095,989.		
	<b>11</b> Investments - publicly traded securities .....	23,659,917.	<b>10c</b>	27,433,095.
	<b>12</b> Investments - other securities. See Part IV, line 11 .....	20,667,541.	<b>11</b>	14,373,544.
	<b>13</b> Investments - program-related. See Part IV, line 11 .....	2,108,938.	<b>12</b>	1,939,188.
	<b>14</b> Intangible assets .....	9,291.	<b>13</b>	32,269.
	<b>15</b> Other assets. See Part IV, line 11 .....		<b>14</b>	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 33) .....	3,521,007.	<b>15</b>	3,468,783.	
	82,649,941.	<b>16</b>	84,300,625.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	9,847,926.	<b>17</b>	9,516,201.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....	5,251,811.	<b>19</b>	0.
	<b>20</b> Tax-exempt bond liabilities .....	7,348,627.	<b>20</b>	6,894,688.
	<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 .....	6,428,174.	<b>23</b>	2,816,972.
	<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 .....		<b>25</b>	
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 .....	14,274,812.	<b>26</b>	12,891,810.
	43,151,350.	<b>26</b>	32,119,671.	
<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 .....	33,500,202.	<b>27</b>	43,263,977.
	<b>28</b> Net assets with donor restrictions .....	5,998,389.	<b>28</b>	8,916,977.
	<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> <b>Total net assets or fund balances</b> .....	39,498,591.	<b>32</b>	52,180,954.
	<b>33</b> <b>Total liabilities and net assets/fund balances</b> .....	82,649,941.	<b>33</b>	84,300,625.

Form 990 (2021)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI ☐

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	94,579,483.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	79,539,780.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	15,039,703.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	<b>4</b>	39,498,591.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	-2,355,007.
<b>6</b>	Donated services and use of facilities	<b>6</b>	-2,333.
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain on Schedule O)	<b>9</b>	0.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	<b>10</b>	52,180,954.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII ☒

	Yes	No
<b>1</b> Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
<b>2a</b> 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: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	<b>2a</b>	<b>X</b>
<b>b</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: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	<b>2b</b>	<b>X</b>
<b>c</b> 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.	<b>2c</b>	<b>X</b>
<b>3a</b> 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>3a</b>	<b>X</b>
<b>b</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 _____	<b>3b</b>	<b>X</b>

Form 990 (2021)

**SCHEDULE A**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**  
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.  
▶ Attach to Form 990 or Form 990-EZ.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2021**

Open to Public  
Inspection

Name of the organization

Mount Desert Island Hospital

Employer identification number

01-0211797

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

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

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

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

**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) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(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) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(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> .....						

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

<b>14</b> Public support percentage for 2021 (line 6, column (f), divided by line 11, column (f)) .....	14	%
<b>15</b> Public support percentage from 2020 Schedule A, Part II, line 14 .....	15	%
<b>16a 33 1/3% support test - 2021.</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 .....		
<b>b 33 1/3% support test - 2020.</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 .....		
<b>17a 10% -facts-and-circumstances test - 2021.</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 .....		
<b>b 10% -facts-and-circumstances test - 2020.</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 .....		
<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 .....		

Schedule A (Form 990) 2021

**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) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(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) 2017	(b) 2018	(c) 2019	(d) 2020	(e) 2021	(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 on 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 2021 (line 8, column (f), divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2020 Schedule A, Part III, line 15 .....	<b>16</b>	%

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

<b>17</b> Investment income percentage for <b>2021</b> (line 10c, column (f), divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from <b>2020</b> Schedule A, Part III, line 17 .....	<b>18</b>	%

**19a 33 1/3% support tests - 2021.** 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 - 2020.** 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? If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
<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)? If "Yes," explain in <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer lines 3b and 3c below.		
<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)? If "Yes," describe in <b>Part VI</b> when and how the organization made the determination.		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in <b>Part VI</b> what controls the organization put in place to ensure such use.		
<b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.		
<b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in <b>Part VI</b> how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
<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)? If "Yes," explain in <b>Part VI</b> 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.		
<b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in <b>Part VI</b> , 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).		
<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? If "Yes," provide detail in <b>Part VI</b> .		
<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? If "Yes," complete Part I of Schedule L (Form 990).		
<b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? If "Yes," complete Part I of Schedule L (Form 990).		
<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))? If "Yes," provide detail in <b>Part VI</b> .		
<b>b</b> Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in <b>Part VI</b> .		
<b>c</b> Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in <b>Part VI</b> .		
<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)? If "Yes," answer line 10b below.		
<b>b</b> Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

**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 on 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 on line 11a above?		
<b>11b</b>		
<b>c</b> A 35% controlled entity of a person described on line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in <b>Part VI</b> .		
<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? If "No," describe in <b>Part VI</b> 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.		
<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? If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
<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)? If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
<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? If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).		
<b>2</b>		
<b>3</b> By reason of the relationship described on 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? If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard.		
<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 <b>Part VI</b> 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? If "Yes," then in <b>Part VI</b> 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.			
<b>2a</b>			
<b>b</b> Did the activities described on 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? If "Yes," explain in <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
<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? If "Yes" or "No" provide details in <b>Part VI</b> .			
<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? If "Yes," describe in <b>Part VI</b> the role played by the organization in this regard.			
<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) 2021

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

Section D - Distributions		Current Year
<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 2021 from Section C, line 6	<b>9</b>	
<b>10</b> Line 8 amount divided by line 9 amount	<b>10</b>	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2021	(iii) Distributable Amount for 2021
<b>1</b> Distributable amount for 2021 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2021 (reasonable cause required - <i>explain in Part VI</i> ). See instructions.			
<b>3</b> Excess distributions carryover, if any, to 2021			
<b>a</b> From 2016			
<b>b</b> From 2017			
<b>c</b> From 2018			
<b>d</b> From 2019			
<b>e</b> From 2020			
<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 2021 distributable amount			
<b>i</b> Carryover from 2016 not applied (see instructions)			
<b>j</b> Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
<b>4</b> Distributions for 2021 from Section D, line 7: \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2021 distributable amount			
<b>c</b> Remainder. Subtract lines 4a and 4b from line 4.			
<b>5</b> Remaining underdistributions for years prior to 2021, 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 2021. 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 2022.</b> Add lines 3j and 4c.			
<b>8</b> Breakdown of line 7:			
<b>a</b> Excess from 2017			
<b>b</b> Excess from 2018			
<b>c</b> Excess from 2019			
<b>d</b> Excess from 2020			
<b>e</b> Excess from 2021			

Schedule A (Form 990) 2021

**Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information.  
(See instructions.)

**Schedule B**  
**(Form 990)**Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**▶ Attach to Form 990 or Form 990-PF.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2021**

Name of the organization

Mount Desert Island Hospital

Employer identification number

01-0211797

Organization type (check one):

**Filers of:****Section:**

Form 990 or 990-EZ

☒ 501(c)( 3 ) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

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

**Special Rules**

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), 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), 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).

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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		\$ 5,251,811.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2		\$ 1,500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3		\$ 1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4		\$ 750,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5		\$ 300,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6		\$ 171,201.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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		\$ 155,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8		\$ 110,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9		\$ 104,515.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
10		\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11		\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
12		\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
13		\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
14		\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
15		\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
16		\$ 33,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
17		\$ 33,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
18		\$ 30,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
19		\$ 26,098.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
20		\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
21		\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
22		\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
23		\$ 22,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
24		\$ 22,444.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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
25		\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
26		\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
27		\$ 19,950.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
28		\$ 19,944.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
29		\$ 15,193.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
30		\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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
31		\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
32		\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
33		\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
34		\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
35		\$ 14,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
36		\$ 12,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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
37		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
38		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
39		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
40		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
41		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
42		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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
43		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
44		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
45		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
46		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
47		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
48		\$ 8,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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
49		\$ 7,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
50		\$ 7,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
51		\$ 7,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
52		\$ 6,100.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
53		\$ 5,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
54		\$ 5,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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
55		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
56		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
57		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
58		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
59		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
60		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)



Name of organization	Employer identification number
<b>Mount Desert Island Hospital</b>	<b>01-0211797</b>

**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
61		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
62		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
63		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
64		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
65		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
66		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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
67		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
68		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
69		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
70		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
71		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
72		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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
73		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
74		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
75		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

**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
9	Publicly traded securities	\$ 104,515.	12/23/21
28	Publicly traded securities	\$ 19,944.	12/09/21
29	Publicly traded securities	\$ 15,193.	07/09/21
60	Publicly traded securities	\$ 4,955.	11/09/21
		\$	

Name of organization	Employer identification number
Mount Desert Island Hospital	01-0211797

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

Use duplicate copies of Part III if additional space is needed.

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

## (e) Transfer of gift

Transferee's name, address, and ZIP + 4

Relationship of transferor to transferee


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

## (e) Transfer of gift

Transferee's name, address, and ZIP + 4

Relationship of transferor to transferee


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

## (e) Transfer of gift

Transferee's name, address, and ZIP + 4

Relationship of transferor to transferee


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

## (e) Transfer of gift

Transferee's name, address, and ZIP + 4

Relationship of transferor to transferee


**SCHEDULE C**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Political Campaign and Lobbying Activities**

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

OMB No. 1545-0047

**2021**

**Open to Public  
Inspection**

**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

Mount Desert Island Hospital

Employer identification number

01-0211797

**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) 2021

LHA

132041 11-03-21

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
<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"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>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? .....			<input type="checkbox"/> Yes <input type="checkbox"/> No												

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.

See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(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					

Schedule C (Form 990) 2021

**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		7,605.
<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	
<b>j</b> Total. Add lines 1c through 1i .....			7,605.
<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:**

Mount Desert Island Hospital was a member of the American Hospital

Association and the Maine Hospital Association in the fiscal year ended

April 30, 2022. A portion of the dues paid to these organizations were

available for lobbying expenditures on behalf of Mount Desert Island

Hospital and the other member organizations in furtherance of their



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

exempt purposes. The total dues paid by the Hospital to these organizations, and the portion that was estimated to be available for lobbying, are detailed below:

American Hospital Association - total dues: \$14,026

American Hospital Association - amount available for lobbying: \$3,713

Maine Hospital Association - total dues: \$26,297

Maine Hospital Association - amount available for lobbying: \$3,892

**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

**2021**

**Open to Public Inspection**

Name of the organization

Mount Desert Island Hospital

Employer identification number

01-0211797

**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).

<input type="checkbox"/> Preservation of land for public use (for example, recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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

	Held at the End of the 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? .....

☐ Yes ☐ No

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)? .....

☐ Yes ☐ No

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

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

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

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

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

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

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

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

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

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

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

Schedule D (Form 990) 2021

**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	9,847,696.	6,958,392.	6,896,922.	6,814,710.	6,135,829.
b Contributions	3,675,585.	1,000,000.		1,002.	
c Net investment earnings, gains, and losses	-1,133,936.	1,904,005.	78,892.	228,814.	699,234.
d Grants or scholarships					
e Other expenditures for facilities and programs				130,000.	
f Administrative expenses	24,445.	14,701.	17,422.	17,604.	20,353.
g End of year balance	12,364,900.	9,847,696.	6,958,392.	6,896,922.	6,814,710.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ☒ 94.2400 %  
 b Permanent endowment ☒ 5.7600 %  
 c Term endowment ☒ .0000 %

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:

- (i) Unrelated organizations  
 (ii) Related organizations

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

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

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		4,007,948.		4,007,948.
b Buildings		30,330,826.	18,317,039.	12,013,787.
c Leasehold improvements		44,545.	26,901.	17,644.
d Equipment		27,739,397.	16,752,049.	10,987,348.
e Other		406,368.		406,368.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				27,433,095.

Schedule D (Form 990) 2021

**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>Deferred compensation</b>	<b>3,665,245.</b>
(3) <b>Estimated third party settlements</b>	<b>7,407,565.</b>
(4) <b>Malpractice insurance obligations</b>	<b>1,819,000.</b>
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	<b>12,891,810.</b>

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... ☒

Schedule D (Form 990) 2021

**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>	88,540,685.
<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>	-2,355,007.
<b>b</b>	Donated services and use of facilities	<b>2b</b>	-2,333.
<b>c</b>	Recoveries of prior year grants	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.)	<b>2d</b>	44,473.
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>	<b>2e</b>	-2,312,867.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>	<b>3</b>	90,853,552.
<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>	38,250.
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>	3,687,681.
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>	<b>4c</b>	3,725,931.
<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>	94,579,483.

**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>	75,858,322.
<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>	44,473.
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>	<b>2e</b>	44,473.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>	<b>3</b>	75,813,849.
<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>	38,250.
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>	3,687,681.
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>	<b>4c</b>	3,725,931.
<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>	79,539,780.

**Part XIII Supplemental Information.**

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

**Part V, line 4:**

Endowment amounts restricted by the Board of Directors are released by the Board as needed for special projects supplying benefit to the community at large. These funds are intended solely for the use of expanding services, and not for sustaining current operations.

**Part X, Line 2:**

The Hospital and BBRV are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (Code). MDMC is a for-profit entity and is, therefore, subject to income taxes. Income taxes are recorded based upon the asset and liability method as prescribed by Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. At

**Part XIII** Supplemental Information (continued)

April 30, 2022 and 2021, MDMC has certain net operating loss carryforwards which have been reduced by a valuation allowance of an equal amount as it is not presently considered likely that the deferred tax assets will be realized.

Tax-exempt organizations could be required to record an obligation for income taxes as the result of a tax position they have historically taken on various tax exposure items including unrelated business income or tax status. Under guidance issued by the FASB, assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the "more-likely-than-not" threshold, based upon the technical merits of the position. The Organization has evaluated the positions taken on its filed tax returns. The Organization has concluded no uncertain income tax positions exist at April 30, 2022.

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

Rental property expenses	44,473.
--------------------------	---------

## Part XI, Line 4b - Other Adjustments:

Provision for bad debts	3,542,774.
Fundraising expenses net against revenues	137,679.
Lobbying expenses net against revenue	7,228.
Total to Schedule D, Part XI, Line 4b	3,687,681.

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

Rental property expenses	44,473.
--------------------------	---------

**Part XIII** Supplemental Information *(continued)*

## Part XII, Line 4b - Other Adjustments:

Provision for bad debts	3,542,774.
Fundraising expenses net against revenues	137,679.
Lobbying expenses net against revenue	7,228.
Total to Schedule D, Part XII, Line 4b	3,687,681.

**SCHEDULE H**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Hospitals**

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

OMB No. 1545-0047

**2021**

**Open to Public  
Inspection**

Name of the organization

Mount Desert Island Hospital

Employer identification number

01-0211797

**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 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 checked="" type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	<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 checked="" type="checkbox"/> 250% <input type="checkbox"/> 300% <input 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? .....		<input checked="" type="checkbox"/>
<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) .....			83,478.		83,478.	.11%
<b>b</b> Medicaid (from Worksheet 3, column a) .....			6,668,682.	5,848,540.	820,142.	1.08%
<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 .....			6,752,160.	5,848,540.	903,620.	1.19%
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) .....						
<b>f</b> Health professions education (from Worksheet 5) .....						
<b>g</b> Subsidized health services (from Worksheet 6) .....			11,201,975.	6,913,701.	4,288,274.	5.64%
<b>h</b> Research (from Worksheet 7) .....						
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8) .....						
<b>j Total.</b> Other Benefits .....			11,201,975.	6,913,701.	4,288,274.	5.64%
<b>k Total.</b> Add lines 7d and 7j .....			17,954,135.	12,762,241.	5,191,894.	6.83%







**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 Mount Desert Island 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>		
<b>1</b> 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? .....	<b>1</b>	<b>X</b>
<b>2</b> 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 .....	<b>2</b>	<b>X</b>
<b>3</b> 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 .....	<b>3</b>	<b>X</b>
If "Yes," indicate what the CHNA report describes (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
<b>b</b> <input checked="" type="checkbox"/> Demographics of the community		
<b>c</b> <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		
<b>d</b> <input checked="" type="checkbox"/> How data was obtained		
<b>e</b> <input checked="" type="checkbox"/> The significant health needs of the community		
<b>f</b> <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
<b>g</b> <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
<b>h</b> <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
<b>i</b> <input type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
<b>j</b> <input type="checkbox"/> Other (describe in Section C)		
<b>4</b> Indicate the tax year the hospital facility last conducted a CHNA: <u>20 20</u>		
<b>5</b> 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 .....	<b>5</b>	<b>X</b>
<b>6a</b> Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C .....	<b>6a</b>	<b>X</b>
<b>b</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 .....	<b>6b</b>	<b>X</b>
<b>7</b> Did the hospital facility make its CHNA report widely available to the public? .....	<b>7</b>	<b>X</b>
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>see Part V, Section C</u>		
<b>b</b> <input checked="" type="checkbox"/> Other website (list url): <u>see Part V, Section C</u>		
<b>c</b> <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
<b>d</b> <input type="checkbox"/> Other (describe in Section C)		
<b>8</b> 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 .....	<b>8</b>	<b>X</b>
<b>9</b> Indicate the tax year the hospital facility last adopted an implementation strategy: <u>20 20</u>		
<b>10</b> Is the hospital facility's most recently adopted implementation strategy posted on a website? .....	<b>10</b>	<b>X</b>
<b>a</b> If "Yes," (list url): <u>see Part V, Section C</u>		
<b>b</b> If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? .....	<b>10b</b>	
<b>11</b> 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.		
<b>12a</b> 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)? .....	<b>12a</b>	<b>X</b>
<b>b</b> If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax? .....	<b>12b</b>	
<b>c</b> 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 Mount Desert Island 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>13</b> X	
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>150</u> % and FPG family income limit for eligibility for discounted care of <u>250</u> %		
<b>b</b> <input type="checkbox"/> Income level other than FPG (describe in Section C)		
<b>c</b> <input checked="" type="checkbox"/> Asset level		
<b>d</b> <input checked="" type="checkbox"/> Medical indigency		
<b>e</b> <input checked="" type="checkbox"/> Insurance status		
<b>f</b> <input checked="" type="checkbox"/> Underinsurance status		
<b>g</b> <input checked="" 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>14</b> X	
<b>15</b> Explained the method for applying for financial assistance? .....	<b>15</b> X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
<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 checked="" 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>16</b> X	
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, Section C</u>		
<b>b</b> <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>see Part V, Section C</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, Section C</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 checked="" 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 checked="" type="checkbox"/> Other (describe in Section C)		

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**Part V Facility Information** (continued)**Billing and Collections**Name of hospital facility or letter of facility reporting group Mount Desert Island Hospital

	Yes	No	
<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? .....	<b>17</b>	X	
<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:			
a <input type="checkbox"/> Reporting to credit agency(ies)			
b <input type="checkbox"/> Selling an individual's debt to another party			
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP			
d <input type="checkbox"/> Actions that require a legal or judicial process			
e <input type="checkbox"/> Other similar actions (describe in Section C)			
f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted			
<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? .....	<b>19</b>		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a <input type="checkbox"/> Reporting to credit agency(ies)			
b <input type="checkbox"/> Selling an individual's debt to another party			
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP			
d <input type="checkbox"/> Actions that require a legal or judicial process			
e <input type="checkbox"/> Other similar actions (describe in Section C)			
<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):			
a <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)			
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)			
c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)			
d <input type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)			
e <input type="checkbox"/> Other (describe in Section C)			
f <input type="checkbox"/> None of these efforts were made			

**Policy Relating to Emergency Medical Care**

<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? .....	<b>21</b>	X	
If "No," indicate why:			
a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions			
b <input type="checkbox"/> The hospital facility's policy was not in writing			
c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)			
d <input type="checkbox"/> Other (describe in Section C)			

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**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 Mount Desert Island Hospital**22** Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

- a** ☒ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period
- b** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- c** ☐ The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- d** ☐ The hospital facility used a prospective Medicare or Medicaid method

**23** During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? .....

If "Yes," explain in Section C.

**24** During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? .....

If "Yes," explain in Section C.

	Yes	No
<b>23</b>		<b>X</b>
<b>24</b>		<b>X</b>

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**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.

Mount Desert Island Hospital:

Part V, Section B, Line 5: The 2020 Community Health Needs Assessment and Action Plan was prepared by Mount Desert Island Hospital and Healthy Acadia, and published in July 2020. This CHNA serves as a framework and guide for Mount Desert Island Hospital and Healthy Acadia in developing and strengthening our programming to fulfill community needs. Each organization prioritizes elements of the CHNA and Action Plan for implementation. The Plan is also available to all local organizations and citizens to support efforts to address and coordinate community health improvement.

Mount Desert Island Hospital's mission is to provide compassionate care and strengthen the health of the community by embracing tomorrow's methods and respecting time-honored values. MDIH is committed to providing the care that community members need, close to their homes. They foster and appreciate opportunities to hear from their community through bi-annual community forums and through a community health needs assessment every three years.

Through the Community Health Needs Assessment (CHNA) process, health care and provider-partners have largely followed a process entitled Mobilizing for Action through Planning and Partnerships (MAPP), which provides the framework for convening the variety of organizations, groups, and individuals that comprise the local public health system to create and implement the 2020 community health action plan. In those instances that the Hospital and its partners diverged from the MAPP process, they are

**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.

explicit about the change and its purpose.

As part of the process of gathering community input for the 2020 CHNA, the Hospital utilized steering committees, community partnerships, surveys, interviews, group and public dialogues, health status assessments, and organized community data to determine the most significant health needs of its community.

Mount Desert Island Hospital:

Part V, Section B, Line 6a: The 2020 Community Health Needs Assessment was conducted primarily by Mount Desert Island Hospital in conjunction with Healthy Acadia, a 501(c)(3) non-profit organization dedicated to building healthy communities. However, many other individuals and organizations contributed to the 2020 needs assessment, a full list of which can be found on the Hospital's complete CHNA, beginning on page 5. Later disclosures in this Schedule H detail where the 2020 CHNA is available.

Mount Desert Island Hospital:

Part V, Section B, Line 6b: The 2020 Community Health Needs Assessment was conducted primarily by Mount Desert Island Hospital in conjunction with Healthy Acadia, a 501(c)(3) non-profit organization dedicated to building healthy communities. However, many other individuals and organizations contributed to the 2020 needs assessment, a full list of which can be found on the Hospital's complete CHNA, beginning on page 5.



**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.

Later disclosures in this Schedule H detail where the 2020 CHNA is available.

Mount Desert Island Hospital:

Part V, Section B, Line 11: The Hospital's 2020 CHNA Implementation Plan identified a series of core health needs, labeled as "Themes", and a variety of strategies to address each of these needs in a way that would be most efficient and effective for the community served by the Hospital.

The four-core health-needs themes identified by the CHNA and its Implementation Plan are:

1. Accessibility, Affordability, and Quality of Healthcare
2. Mental Health and Community Connectedness
3. Social Determinants of Health
4. Substance Use

The Hospital aims to address these core health themes through a series of goals and overall strategies, including, but not limited to:

1. Accessibility, Affordability, and Quality to Healthcare Goals:

- Increase awareness of available healthcare and prevention resources
- Make healthcare and prevention resources more affordable and available
- Overcome and reduce obstacles to accessing health resources
- Increase overall resources to empower individuals to prevent and manage health issues and be active in the development and execution of their health plans

**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.

**2. Mental Health and Community Connectedness**

-Increase awareness about available mental health resources and social opportunities

-Make mental healthcare more affordable

-Overcome obstacles to accessing mental healthcare and prevention resources

-Increase resources to empower individuals to prevent and manage mental health issues and be active in the development and execution of their mental healthcare

**3. Social Determinants of Health**

-Increase awareness of available positive social, economic and environmental resources

-Foster a culture of civic engagement and volunteerism

-Increase access to affordable healthy food

-Increase access to physical activity

-Increase efforts to reduce bias, discrimination, inequality, stigma and shame

**4. Substance Use**

-Increase awareness about available substance use disorder prevention, treatment and recovery resources

-Make substance use disorder prevention, treatment and recovery resources more affordable

-Overcome obstacles to accessing quality substance use disorder prevention, treatment and recovery resources

-Reduce risks and substance use in the community

**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.

-Increase resources to empower individuals to prevent and manage substance use disorders and be active in the development and execution of their treatment plans and recovery.

The Hospital aims to achieve these goals by utilizing a combination of public education and health advocacy campaigns; community partnerships, activities, and events; home health initiatives; the strategic use of qualified care professionals and medication programs; developing creative care networks and cost reduction systems; promoting innovative recovery and treatment plans; and to provide accessible and affordable health care across all spectrums of personal health.

More specific details on what the Hospital is doing to address the needs of its community as determined in its 2020 CHNA can be found in the Hospital's full 2020 Community Health Implementation Plan.

Mount Desert Island Hospital:

Part V, Section B, Line 16j: The policy was provided, in writing, to patients on admission to the Hospital facility.

The Hospital works with community service organizations to post the Plain Language Summary in public libraries, local municipality facilities, the local YMCA/YWCA, and the Healthy Acadia website.

Additionally, a qualified interpreter is made available to patients who need assistance translating the FAP, application, and related documents to

**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.

another language, and translated copies of our Financial Assistance Policy and Application are available in French and Spanish.

Part V, Section B, Line 7a, Hospital's website:

<https://www.mdihospital.org/wp-content/uploads/2020/07/2020-MDI-Region-CHNA-Report-FINAL-7.8.20.pdf>

Part V, Section B, Line 7b, Other website:

[https://static1.squarespace.com/static/5d5fec1f2b3df90001522875/t/5f89d31835d7a45f1c9c4337/1602868000252/2020\\_MDI\\_Region\\_CHNA\\_Report\\_FINA.20+-+Copy+1.pdf](https://static1.squarespace.com/static/5d5fec1f2b3df90001522875/t/5f89d31835d7a45f1c9c4337/1602868000252/2020_MDI_Region_CHNA_Report_FINA.20+-+Copy+1.pdf)

Part V, Section B, Line 10a, Implementation Plan:

The 2020 CHNA Implementation Guide may be downloaded from the following address:

<https://www.mdihospital.org/about-us/reports-resources/>

Schedule H, Part V, Section B, Line 16a-16c:

Financial Assistance Policy URL:

<https://www.mdihospital.org/wp-content/uploads/2019/10/MDIH-Finance-Assistance-and-Free-Care-Policy-Approved-FC-2-24-2020.pdf>

**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.

Financial Assistance Policy Application URL:

<https://www.mdihospital.org/wp-content/uploads/>

2021/07/MDIH-FA-FORM-2019-1.pdf

Financial Assistance Plain Language Summary URL:

<https://www.mdihospital.org/wp-content/uploads/>

2019/05/Plain-Language-Summary-of-Financial-

Assistance-Program-1557-revised-02-2020.pdf

Schedule H, Part V, Section B, Line 20d:

MDI Hospital does not assume or engage in presumptive eligibility in assessing financial assistance or government assistance. However, any individual residing in the State of Maine who indicates the financial inability to pay a bill for a medically necessary service shall be evaluated for Financial Assistance. The patient's potential eligibility for governmental or other coverage will be assessed. This may include Medicaid and participation in Health Insurance Exchange coverage and subsidies. Additionally, a Financial Assistance Application/Disclosure Form is used to document each patient's overall financial situation. Credit reports may be used to verify the individual's financial circumstances. If an engaged collection agency suspects or gains knowledge that someone may need to apply for one of our programs, the agency sends out a financial assistance application to the patient or guarantor and proceeds to notify MDIH of the outreach. Accordingly, each collection agency engaged is aware of the policy on Financial Assistance. This allows the agency to report amounts that they have

**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.

determined to be uncollectible due to the inability to pay in  
accordance with the Financial Assistance eligibility guidelines.

**Part V Facility Information** (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

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

How many non-hospital health care facilities did the organization operate during the tax year? 10

Name and address	Type of Facility (describe)
1 Cadillac Family Practice 322 Main Street Bar Harbor, ME 04609	Outpatient Clinic
2 Community Health Center 16 Community Lane Southwest Harbor, ME 04679	Outpatient Clinic
3 Trenton Health Center 394 Bar Harbor Road Trenton, ME 04605	Outpatient Clinic
4 Cooper Gilmore Health Center 17 Hancock Street Bar Harbor, ME 04609	Outpatient Clinic
5 MDI Behavioral Health Center 322 Main Street Bar Harbor, ME 04609	Outpatient Clinic
6 MDI General Surgery 17 Hancock Street Bar Harbor, ME 04609	Outpatient Clinic
7 Lisa Stewart Women's Health Center 330 Main Street Bar Harbor, ME 04609	Outpatient Clinic
8 MDI Orthopedics 10 Wayman Lane Bar Harbor, ME 04609	Outpatient Clinic
9 MDI Urology 10 Wayman Lane Bar Harbor, ME 04609	Outpatient Clinic
10 Northeast Harbor Health Center Kimball Road Northeast Harbor, ME 04679	Outpatient Clinic

Schedule H (Form 990) 2021

**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.

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**Part I, Line 7:**

The costing methodology utilized for this table was derived from Worksheet 2, ratio of patient care cost to charges with data from filed cost reports for the fiscal year.

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**Part I, Line 7g:**

The Hospital provides to the community several provider-based physician and specialty practices to serve this rural island population. These practices are listed on Part V of this schedule. The facility subsidizes their operating costs to maintain access and coordination of care to our population.

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**Part I, Line 7, Column (f):**

The Bad Debt expense included on Form 990, Part IX, Line 25(A), but subtracted for purposes of calculating the percentage in this column is \$ 3,542,774.

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**Part II, Community Building Activities:**



**Part VI** Supplemental Information (Continuation)

The Hospital strives to be a positive agent for change, care, and civic engagement within its community. As part of its fulfillment of the 2020 Community Health Implementation Plan, the Hospital has made efforts to work with community stakeholders, patients, care providers, community groups, and other organizations to promote efforts and programs related to personal fitness and activity; healthy and affordable food and nutrition; accessible transportation; and general volunteerism and communal engagement.

The Hospital offers many volunteer opportunities that allow neighbors and members of the community to engage with one another through a common effort to promote and improve themselves and the quality of life for others. The volunteers who donate their time to MDI Hospital, our Health Centers, and the Birch Bay Retirement Village play an important role in the experience of our patients, their families, and our community's residents. Volunteers frequently work alongside healthcare professionals, help in clinical and non-clinical areas, and support our mission to care for our community.

The Hospital actively participates in community public health advisory councils to ensure resources, education and awareness are made available to the population served, including substance use disorder treatment, mental healthcare, and transmissible diseases prevention.

The Hospital's various volunteer and community programs foster engagement around a very diverse range of community building activities. MDI Hospital partners with our local food pantry volunteers to provide shelf stable food bags for our patients who are undergoing cancer treatments, recently

**Part VI** Supplemental Information (Continuation)

discharged from inpatient services or may be food insecure. These resources are also made available for its employees. There are also volunteer opportunities for office and computer/technical assistants. Volunteers also contribute to the Hospital's emergency department and other auxiliary services.

Outside of the Hospital setting, MDIH promotes volunteerism through its various Birch Bay Retirement Village programs. These programs present an opportunity for community members of all ages to form common bonds and meaningful connections. Volunteers can contribute significantly to the quality of life of those living in the Birch Bay Retirement Home by becoming Care Partners, or by participating in "life enrichment" services, classes, and programs. The Hospital also provides and fosters opportunities for the community to connect over social and athletic clubs, music and public arts programs, and daycare and other youth initiatives.

The Hospital also cares deeply about community education. The Hospital partners with various government agencies, health care institutions, schools, colleges, and other organizations to promote medical and public health education and advocacy. The Hospital also offers various internship and apprenticeship opportunities for members of its community to become involved, and to contribute to the growth and success of the broader public.

Part III, Line 2:

The estimated cost of bad debt expense as reported is derived from the accounting systems and software the organization uses to calculate the cost-to-charge ratio from the as-filed Medicare Cost Reports.

**Part VI** Supplemental Information (Continuation)

Mount Desert Island Hospital (MDI Hospital) estimates the cost of bad debt expense using accounting systems and software from our organization to calculate the cost of care from the as filed Medicare Cost Reports. This estimate best represents the value of providing care for those services that will be considered or deemed uncollectible. The value of these services at cost is estimated to be \$2,784,908. This is the amount the Hospital must forgive as a benefit to the community for providing services.

Part III, Line 3:

The Hospital's financial assistance policy provides administrative and accounting guidelines for the identification, classification, and reporting of patients receiving financial assistance as distinguished from bad debts. Accordingly, the Hospital has estimated that no amount of bad debt expense at cost is attributable to patients eligible under the organization's financial assistance policy.

Part III, Line 4:

See Footnote 2, beginning on Page 9, of the attached audited financial statements.

Part III, Line 8:

The IRS Form 990, Schedule H instructions and guidance provide a template in Worksheet 2 as a way to determine the overall cost to charge ratio that could be applied throughout Schedule H in order to convert charges to cost. Where applicable, we have utilized the Worksheet 2 template calculation. The only area where we did not utilize this template

Schedule H (Form 990)

**Part VI** Supplemental Information (Continuation)

calculation was in Schedule H, Part III, Section B, Line 6, Medicare allowable costs and payments related to the subsidized health services. Instead, the Hospital utilized the Medicare Cost Report estimated cost and payment for these services. The Hospital believes that provider-based clinics listed in the Cost Report should be considered a community benefit due to the fact that without the Hospital subsidizing and offering the services that these clinics offer, the community-at-large would have to travel 45 minutes or more to the nearest similar hospital. As such, Mount Desert Island Hospital believes that by offering and subsidizing these clinics within its community, thus enabling community members to have easy access and an easier commute for these services, the entire community at large benefits.

Part III, Line 9b:

The Hospital would not initiate collection efforts against a patient that qualified for a sliding fee scale unless that patient failed to meet his or her obligation under a mutually agreed upon payment arrangement. After it was determined that the patient did not qualify for a readjustment to his or her payment terms, the Hospital would follow normal notification practices dictated by our collection policy, which follows the 501(r) regulations. Upon the qualifying defaults a patient's account may result in collection efforts. If the collection agency suspects or gains knowledge that someone may need to apply for one of the programs, the agency sends out a financial assistance application to the patient or guarantor and proceeds to notify MDIH of the outreach. Information about our free and sliding scale programs is on our website, on our account statements, and posted in public areas and at our provider clinics. Our Plain Language Summary is posted within our community as well. We also

Schedule H (Form 990)

**Part VI** Supplemental Information (Continuation)

make available a Patient Financial Counselor to help advocate, assist and navigate the process.

Part VI, Line 2:

The Hospital's 2020 CHNA, which culminates in the Themes, Goals, and Strategies outlined in the report, has largely followed the Mobilizing for Action through Planning and Partnerships (MAPP) framework, including through the completion of three of four assessments prescribed by MAPP.

MAPP includes four distinct assessment processes, three of which were completed as part of the 2020 CHNA.

- The Community Themes and Strengths Assessment
- The Community Health Status Assessment
- The Forces of Change Assessment

The processes for conducting these three assessments are outlined below, as well as the additional COVID-19 assessment previously mentioned. Data from the Community Themes and Strengths, Community Health Status, and Forces of Change assessments was aggregated together to inform community conversations, called Theme Teams, around the theme areas that arose from the data. The process for conducting Theme Teams is also outlined below.

Process for conducting the Community Themes and Strengths Assessment:

The Community Themes and Strengths Assessment provides largely qualitative data on existing community health strengths, challenges, needs, and opportunities. For this assessment, CHNA coordinators spent four months collecting community input through an electronic and paper survey.

**Part VI** Supplemental Information (Continuation)

Thousands of community members within the LSA were asked to answer broad-based questions about community health. Respondents were asked about area community health concerns and strengths, suggestions for needed services, supports, and spaces, issues they would like to see more public discussion, education, and action around, and what they would like to see happen to build greater community health. We received 402 surveys from community members living, working, and/or receiving services in the LSA. The resulting data was organized into themes that greatly informed the final CHNA theme areas. It was shared with Theme Teams and highlights are included within the Themes sections of this report, under 'key findings'.

Through the surveying process, significant efforts were made to ensure that survey participants constitute a broad spectrum of the LSA, with representation proportionate to the LSA population demographics as much as possible. This was fulfilled through a diverse survey dissemination effort and frequent evaluation of respondent demographics. Data on zip code, gender, age, race and ethnicity, and healthcare payment methods were collected through the survey process, which enabled us to evaluate the success of the assessment's reach. In similar future assessment processes, CHNA Coordinators would recommend careful reconsideration of whether to collect income data and a source from which the survey was accessed, (neither were collected during this process out of respect for privacy) as well as clarifications to the question "How do you pay for healthcare?". In the future, this question might benefit from space to indicate employer provided insurance or privately purchased insurance, two categories which were not differentiated in the 2019-2020 survey.

While greater representation is always to be strived for as part of every

**Part VI** Supplemental Information (Continuation)

needs assessment, CHNA Coordinators and Steering Committee Members feel confident that we heard from a largely representative group of community members with a range of interests and opinions regarding the health of their communities and the efforts needed to increase community health.

Process for conducting Community Health Status Assessment:

The Community Health Status report provides quantitative data on demographics and health indicators that are significant in clarifying the landscape of community health needs initially presented through the Community Themes and Strengths Assessment and broadened by the Forces of Change Assessment.

This quantitative data, which was shared with Theme Teams and is included within the Themes sections of this report under 'key findings', has been sourced from the Hancock County Health Profile 2018: Maine Shared Community Health Needs Assessment (Maine Shared CHNA, 2018) unless otherwise noted. This tool includes health data from over 30 sources, representing the most recent data available as of March 2018 and most local data available. Data is used to illustrate significant trends impacting community health in the LSA and is not comprehensive.

Process for conducting Forces of Change Assessment:

There are always 'forces of change' that are occurring or might occur and affect the health of the LSA. These forces are beyond local control but may require local awareness and response. The Forces of Change Assessment explores current forces and possible threats or opportunities because of

**Part VI** Supplemental Information (Continuation)

these forces.

This assessment was completed by the CHNA Steering Committee through a member survey and group discussion. The Steering Committee identified numerous forces, as well as various threats and opportunities posed by each force. Highlights of this data was provided to Theme Teams and are included within the Themes sections of the report under 'key findings'.

Process for conducting Theme Team Meetings:

At the close of 2019, CHNA Coordinators worked together to review data from the three assessments outlined above. All efforts were made to maintain the breadth and depth of Community Themes and Strengths Assessment survey responses while collating data into community health topic areas. This assessment played a key role in the determination of CHNA theme areas, with the Health Status Assessment data and Forces of Change Assessment results complementing and informing our definitions of each theme area.

Five unique themes were initially determined to encompass the data. These were 1) Accessibility, Affordability, and Quality of Healthcare, 2) Acute and Chronic Disease and Conditions, 3) Mental Health and Community Connectedness, 4) Social Determinants of Health, and 5) Substance Use.

Theme Teams were convened to discuss these five initial themes through a selection process that included invitations to Community Themes and Strengths Assessment survey respondents who indicated interest in involvement in the broader assessment; participants in Theme Teams during



**Part VI** Supplemental Information (Continuation)

the 2015-2016 CHNA cycle, all of whom are considered experts in unique areas of community health; and additional community members and health experts with unique expertise and experience relevant to one of the five initial themes. In a format that differed from that of the previous CHNA assessment, Theme Team invitees were provided an opportunity to self-select the Theme Team or Theme Teams in which they wanted to participate. While this allowed invitees to join one or more given Theme Teams based on their interest and schedule availability, it also effectively resulted in less curated Theme Team participant groups. In similar future assessment processes, CHNA Coordinators would recommend careful reconsideration of whether to restructure this invitation process to ensure a balanced mix of perspectives and representation in each Theme Team.

(Continued in Schedule H, Supplemental Information)

Part VI, Line 3:

The Financial Assistance Policy (FAP) information is sent with all account statements and is printed on the back of the statement. A notice of the FAP in plain language is also available on our Hospital website, posted in public areas, and available within the departments and provider clinics of our organization. The Hospital provides a Patient Financial Counselor to help navigate the process to ensure that our patients have access to the care and services they need. MDI Hospital is committed to providing access to quality healthcare services with compassion, dignity, and respect for those we serve, particularly the poor, indigent, and underserved in our communities, regardless of their ability to pay. We assist our patients who cannot afford to pay for part or all of the services received by

Schedule H (Form 990)

**Part VI** Supplemental Information (Continuation)

working with our community to identify those in need and find the financial resources that may be made available to them. MDI Hospital has adopted guiding principles when handling billing, collections, and financial support functions for our patients. We provide effective communications with patients regarding hospital bills and make affirmative efforts to help patients apply for public and private financial support programs, including providing resources to perform the application process on behalf of the patient. We have implemented policies and procedures for assisting low-income patients in a consistent manner that is in compliance with the State of Maine Chapter 150 Guidelines for Free and Reduced Care. These policies are reviewed by the Finance Committee of the Board of Trustees at a minimum annually, or as deemed necessary. The adjustment for Amounts Generally Billed is made annually after the acceptance of MDI Hospital's Medicare Cost Report by the regional Fiscal Intermediary (MAC). A Patient Financial Counselor is also available to assist with triaging patient needs and working with our patients to align resources. This representative is available to explain and review patient payment obligations. We also have a Patient Advocate to facilitate issues that arise during this process. Information about Hospital-based financial support policies and external support programs that provide coverage for services is made available to patients during the pre-registration and registration processes and/or through communications with patients seeking financial assistance.

Support is available to uninsured and underinsured patients who do not qualify for public programs or other means of assistance. Notification about financial assistance programs at MDI Hospital, including contact information, is available through messaging included on patient bills, at

**Part VI** Supplemental Information (Continuation)

provider clinics, in public areas, through care management and billing support staff, in registration areas, and at the reception areas in the Hospital and at our provider clinics. Patient brochures describing the financial counseling services, our financial assistance policies, financial assistance application, and the applicable services which are available in these areas as well as on our public website, [www.mdihospital.org](http://www.mdihospital.org). The annual review of these policies is done through the Board Appointed Finance Committee.

## Part VI, Line 4:

MDI Hospital is a 25-bed critical access hospital located in Bar Harbor, Maine and licensed by the State of Maine. The mission is to provide compassionate care and strengthen the health of our community by embracing tomorrow's methods and respecting time-honored values. Its services include acute inpatient, swing bed, 24-hour emergency center, diagnostic services, lab, physical therapy, pharmacy, obstetrics, nursery, and surgical services.

Along with hospital services, the Hospital employs the majority of primary and specialty care physicians in the area. The Hospital provides the only behavioral health clinic services in Hancock County and partners with community agencies to sponsor Substance Use Disorder Treatment. These services have been identified as a need in the CHNA for mental and substance use treatment availability and the removal of stigma associated with mental and substance use disorders. Hancock and Washington counties are considered rural by the State of Maine and the United States Census Bureau, under guidelines set forth by the Office of Management and Budget (OMB). The Hospital service area (HSA) as defined by the Maine Health Data

**Part VI** Supplemental Information (Continuation)

Organization (MHDO) uses the statistical method where the greatest proportion of residents received their inpatient care. The Hospital's primary service area is Mount Desert Island and the towns it supports as well as the outer islands off the coast of Bar Harbor, Northeast Harbor, and Southwest Harbor. Also included in our service area are the towns of Trenton and Lamoine, Maine. The Hospital entered into a collaborative to bring dental and oral health services to Mount Desert Island, which is defined as a federally underserved location for dental health and identified as a need in the Hospital's CHNA. MDI Hospital sponsors a dental center in Southwest Harbor to address the community's needs for oral health, expanding access the past year to our community for outreach and dental health services.

The 2020 Community Health Needs Assessment (CHNA) and Action Plan for the Mount Desert Island Service Area serves as a framework and guide for Mount Desert Island Hospital and Healthy Acadia in developing and strengthening our programming to fulfill community needs. The Plan focuses on the nine-town service area of MDIH. These towns include Bar Harbor, Cranberry Isles, Frenchboro, Lamoine, Mount Desert, Southwest Harbor, Swans Island, Tremont, and Trenton. This nine-town area is the focus of this Plan. It is referred to here as the "Local Service Area" (LSA).

In 2010, the population of these 9 towns totaled 14,232, according to the U.S. census data. The LSA includes three municipalities on unbridged islands: Cranberry Isles, Frenchboro, and Swans Island. The LSA has high numbers of older adults, as well as seasonal visitors. There are significant numbers of self-employed individuals, contributing in part to significantly higher than average levels of uninsured people. In Hancock

**Part VI** Supplemental Information (Continuation)

County, 12% of adults are uninsured, compared with 10% statewide (County Health Rankings, 2020).

Hancock County has average rates of high school educational attainment, with 88% graduating from high school, compared to the state rate of 87% (County Health Rankings, 2020). We are slightly below average in terms of college attendance; 64% of residents in Hancock County attend at least some college, while 68% of people have attended at least some college statewide (County Health Rankings, 2020). Our unemployment levels are slightly higher than the statewide average, (4.7% unemployment in Hancock County, compared with 3.8% statewide) (Maine Shared CHNA, 2018). Seasonal fluctuations in employment are also significant because a substantial part of our economy is based on seasonal tourism.

## Part VI, Line 5:

MDI Hospital is committed to improving health and quality of life in the MDI region. Through innovation and effort, we strive to meet the evolving needs of our community with a compassionate, patient-centered approach to care. Our Integrated Care Philosophy is key to our strategies to improve health outcomes, provide improved access to care that is timely and appropriate and improve the overall health outcomes of the population we serve. Our dedication to excellence has been recognized with national awards for patient satisfaction and for the delivery of care in a rural setting. Today, MDI Hospital is a beacon of quality care for residents and visitors and a model of rural care delivery for the nation.

The Hospital is the second largest employer on Mount Desert Island. Our network of island health centers is our frontline, providing the community

**Part VI** Supplemental Information (Continuation)

with top quality, individualized primary care where they feel most at home. MDI Hospital's network offers six primary care facilities in Bar Harbor, Southwest Harbor, Northeast Harbor, and Trenton as well as a full-service dental clinic, a nationally recognized Imaging Department, and comprehensive behavioral health services.

MDI Hospital Organization Services include the following: Breast Health Center at MDI Hospital, Cadillac Family Practice, Cooper Gilmore Health Center, MDI General Surgery, MDI Orthopedics/Urology, Community Health Center, Community Dental Center, Northeast Harbor Clinic, Lisa Stewart Women's Health Center, MDI Behavioral Health Center, Weekend Care Clinic, Trenton Health Center, 24-7 emergency room, acute care (swing beds), behavioral health services, breast health services including state-of-the-art digital mammography, cardiac rehabilitation, dental/oral health services, diabetes education, general surgery, imaging/radiology, infusion center, palliative care, laboratory services, neurology, nutrition education, obstetrical services, occupational therapy, oncology-hematology, orthopedics, pediatrics, physical therapy, podiatry, primary care, pulmonology, skilled rehabilitation, speech therapy, sports medicine, surgical services, urology, and women's health services.

The Hospital is committed to the treatment and prevention of substance use disorder and partners with community agencies, our provider clinics and our behavioral health teams to become certified in medication assisted treatment certifications and continues to develop a sustainable treatment center for the residents of Hancock County, providing medical oversight and medication assisted therapies. Additionally, MDI Hospital's emergency department is trained and prepared to provide first doses to those seeking recovery and align patients with recovery coaches and access to treatment

**Part VI** Supplemental Information (Continuation)

services through the Downeast Treatment Center partnership.

In fiscal year 2022, our healthcare professionals offered skilled services to the Downeast Region including free and uncompensated care. MDI Hospital and Health Centers do not turn away those in need of medical care, regardless of their ability to pay.

Community Partnerships: MDI Hospital partners with many area organizations to reach a broad range of community members. These community partnerships have included AOS-91 (Administrative School District), MDI YMCA, AMHC, Healthy Acadia, Jesup Memorial Library, Southwest Harbor Public Library, Hancock County Emergency Management, MDI Search and Rescue, Acadia National Park, Downeast Treatment Center, Life Flight of Maine, Northern Light Health, Northern Light-Eastern Maine Medical Center, Northern Light-Maine Coast, Northern Light-Blue Hill, Maine Rural Health Collaborative, EMS personnel throughout Hancock County, Bar Harbor Fire Station, Bar Harbor Chamber of Commerce, MDI Rotary, MDI Lioness Club, MDI YWCA, Bar Harbor Food Pantry, and the Southwest Harbor and Tremont Chamber of Commerce. These partnerships allow MDI Hospital and Health Centers to provide education, services, training and informational materials to individuals and organizations throughout Downeast Maine.

The Hospital continued to play a leading role in establishing the Downeast COVID-19 Task Force, which addresses pandemic-related issues as well as preparation for all transmissible diseases. The Hospital staffed COVID-19 free community-based vaccine booster clinics utilizing 232 employees and 48 volunteers. These clinics provided more than 3,400 doses of the COVID-19 boosters.

**Part VI** Supplemental Information (Continuation)

Dedicated Staff: MDI Hospital's dedicated staff contributed countless hours of volunteer time and donations to groups such as Hospice Volunteers of Hancock County, Bar Harbor Food Pantry, Bar Harbor Housing Authority, MDI Marathon, Maine Alzheimer's Association, Next Step Domestic Violence Project, MDI Rotary, Island Connections, MDI YMCA, Island Housing Trust, MDI Lioness Club, Acadia National Park, Beth C. Wright Cancer Center, Ellsworth Lioness and American Cancer Society Relay for Life. MDI Hospital staff also hosted a table during Bar Harbor's annual Halloween celebration on Ledgelawn Avenue, providing warm drinks and healthy snacks to children. In addition, MDI High School sporting events, and Bar Harbor's annual Luminary Walk-in honor of breast cancer awareness.

Oral Health Services: MDI Hospital has been proud to partner with the American Dental Association (ADA) to raise awareness of the critical need for access to oral healthcare. The Hospital's efforts provide children with oral hygiene instruction, cleanings, and fluoride varnish from registered dietitians. MDI Hospital is committed to providing greater access to quality dental health services in our community.

Childbirth Education Classes: MDI Hospital's OB department provides low-cost classes for new families on labor and delivery, breastfeeding, newborn care, sibling issues, and infant and child CPR. MDIH hosted prenatal yoga classes instructed by one of our OB Nurses.

Flu Shot Clinics: The Hospital conducts low-cost public flu clinics each year at several locations throughout the community each year.



**Part VI** Supplemental Information (Continuation)

Diabetes Education: MDI Hospital's Diabetes Education program provides guidance and support to help people manage their disease.

Telemedicine Services: Using two-way telecommunications technology, MDI Hospital can connect clinicians in the ICU, ER, and on outer islands with providers located miles away. Telemedicine was expanded very rapidly so that MDIH could continue to serve its patients during the COVID pandemic.

Nutrition Education: MDI Hospital dietitians provide a variety of educational and outreach services to the community each year. MDI Hospital Community Health Educators and Health Coaches have achieved and continue to maintain National Diabetes Prevention Program status.

Palliative Care Team: MDI Hospital continued its Palliative Care Program offering both inpatient and outpatient consultations for patients suffering from life limiting illnesses. Our palliative care program focuses on improving quality-of-life for patients with life-limiting illnesses and their families through the prevention and relief of physical, social, and spiritual aspects of suffering.

Patient Navigator Program- MDI Hospital provides nurse navigators for our patients who are diagnosed with cancer. The Nurse Navigator is a support system that provides care, guidance, and service alignment for newly diagnosed patients to ensure seamless transitions of care through empathy and compassion.

Integrated Care Team: MDI Hospital continued operating under its Integrated Care Philosophy, a way to give patients better, more

**Part VI** Supplemental Information (Continuation)

personalized care. Under the Integrated Care Philosophy, care is provided by a care team that works together to provide each patient with the best care possible, tailored to meet their needs. Care team members work side by side with patients and their families to improve health, wellness, and quality of life both in and out of the clinic setting.

Patient's care teams are led by his or her primary care practitioners, who helps to establish and maintain care plans. Patients receive regular follow-up calls from their care managers, also referred to as "Care Callers", and additional support is available both at home and in the clinic setting to help improve the quality of their care and their access to care. If patient requires hospitalization, their care teams work with their hospital care practitioners to coordinate their care.

Oversight and training to all Island emergency medical services: MDI Hospital's Emergency Department is led by Nathan Donaldson, DO, MHA, FACEP. Dr. Donaldson is the Medical Director for all Bar Harbor, Northeast Harbor and Southwest Harbor Emergency Medical Services (EMS). Dr. Donaldson is a board-certified emergency physician with a background in sports medicine. As an EMS director, Dr. Donaldson facilitates quarterly education reviews and protocol updates for all Island EMS professionals.

(Continued in Schedule H, Supplemental Information)

Part VI, Line 6:

Mount Desert Island Hospital is not part of an affiliated health care system.

**Part VI** Supplemental Information (Continuation)

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

ME

Schedule H, Part VI, Line 2 (continued):

After Theme Team meetings, it became clear that integrating Acute and Chronic Disease and Conditions content into the Accessibility, Affordability, and Quality of Healthcare was a reasonable and appropriate next step; the groups found that one Theme could not be discussed without simultaneously addressing the other. This left us with the following four Theme areas: 1) Accessibility, Affordability, and Quality of Healthcare, 2) Mental Health and Community Connectedness, 3) Social Determinants of Health, and 4) Substance Use.

Process for conducting COVID-19 Community Health Impacts and Priorities Assessment:

In June 2020, the CHNA Steering Committee participated in an additional assessment process to compile relevant COVID-19 specific content and facilitate necessary updates and additions to content generated by the Community Themes and Strengths, the Community Health Status, and the Forces of Change assessments and the Theme Team meetings.

The Steering Committee outlined COVID-19 related community health strengths, challenges, needs, and opportunities within each of the four Theme Areas. Strong consideration was also given to whether some CHNA relevant COVID-19 content might not be encompassed by the four Theme Areas and it was determined that these four Theme Areas are able to accurately contain relevant COVID-19 additions.

**Part VI** Supplemental Information (Continuation)

All content generated through this COVID-19 Community Health Impacts and Priorities Assessment was integrated into this report, including in 'additional COVID-19 considerations' sections within the 'key findings' of each Theme section, as well as throughout the Goals and Strategies content of each Theme section, with footnotes highlighting these.

Data from these assessments and Theme Team meetings collectively provide a detailed picture of the current community health landscape in the LSA, are represented in the 'key findings' under each of the following Theme areas, and are the foundation of the subsequent goals and strategies in each Theme area.

Schedule H, Part VI, Line 5 (continued):

Pharmaceutical Support for EMS Crash Boxes: The local EMS services and Mount Desert Island Hospital Pharmacy have an ongoing relationship where the Hospital pharmacy provides the medications for the ambulance services at no cost. This service allows the EMS crews to have the needed lifesaving medications on hand for MDI residents. EMS services and the pharmacy work closely to ensure compliance and ensure that the best medications are available for any emergency.

MDI Marathon: The Hospital has provided medical support and organizes volunteers for the MDI marathon for the past 16 years.

Subsidized Health Services: YES (Your Exercise Solution) class via Zoom during to the COVID 19 Pandemic MDI Hospital's free Wellness Program provides two classes per week for 50 weeks.

**Part VI** Supplemental Information (Continuation)

Free Blood Pressure Clinics: MDI Hospital's Community Health Educator provided free blood pressure clinics throughout the island.

Blood Drives- MDI Hospital sponsored a community blood drive during the Pandemic when supplies and shortage continued to threaten access to care.

Community Walking Program: Healthcare Coaches coordinate both spring and fall walking programs for the community.

Downeast Covid-19 Taskforce-led the community in providing critical information on prevention and mitigation strategies for spread of Covid-19. Provided community health coaches and advocates to educate the community, schools, businesses, municipalities, and front-line workers on prevention measures, including the distribution of over 55,000 procedure masks.

Free Cancer Support Group: With sponsorship from the MDI Hospital Auxiliary and MDI Behavioral Health Center, and in collaboration with the Beth C. Wright Cancer Resource Center, MDI Hospital provides free monthly support groups for patients, survivors, and their families.

Prescription Assistance Program: At no cost to patients, MDI Hospital's Prescription Assistance Program helps those who lack prescription coverage obtain access to free or reduced cost medications available through programs sponsored by pharmaceutical companies.

**Part VI** Supplemental Information (Continuation)

Chronic Disease Prevention Programs: MDI Hospital continues to provide support for programs operated by Healthy Acadia for the management of chronic disease.

Platinum Level Achievement- MDI Hospital has achieved the Platinum Level recognition from the Maine Tobacco-Free Hospital Network, which recognizes excellence in supporting tobacco free lifestyles and educating community about healthy choices and support to tobacco cessation classes.

Educational Binders- Asthma Patients, developed educational binders for our asthma patients. These are designed to aid both adult and pediatric patients with educational materials for achieving health goals.

Affordable Care Act Education: MDI Hospital offered health insurance enrollment counseling to help community members explore their health insurance options on the Health Insurance Marketplace.

COVID-19 Response: MDI Hospital was a leading figure in the battle against COVID-19 in its community. The Hospital provided vaccines, personal protective care, public education, and treatment to those suffering from the Pandemic and their families.

Other Programs: MDI Hospital's health fair; MDI Hospital health screenings held at COA; bone density and cholesterol screenings at MDI High School; pre-diabetes classes were offered free to the community; MDI Hospital hosted blood drives; smoking cessation group was offered.

**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

**2021**

**Open to Public  
Inspection**

Name of the organization

**Mount Desert Island Hospital**

**Employer identification number**  
**01-0211797**

**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 noncash 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

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

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

**Schedule I (Form 990) 2021**

**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
Scholarships for students pursuing a degree in medical or healthcare-related fields	16	28,000.	0.		

**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:**

All high school seniors within Hancock County, Maine who are committed to pursuing a degree and career in medical and healthcare services are considered eligible. Potential applicants must work with their school's guidance office to prepare and submit an application to the Hospital on behalf of the Auxiliary Scholarship Committee (the "ASC"). After determining the number of eligible applications and the amount of funds available from available funds, the ASC will determine the amount of scholarships that can be awarded in a given year. A chosen



**Part IV** Supplemental Information

scholarship-recipient may be awarded a grant for up to four years. Separate and unique books and records are maintained to substantiate and track all scholarships awarded and to ensure they are used for their intended purpose.

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

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

▶ Complete if the organization answered "Yes" 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.

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**2021**

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Name of the organization

Mount Desert Island Hospital

Employer identification number

01-0211797

**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.

☐ First-class or charter travel

☐ Housing allowance or residence for personal use

☐ Travel for companions

☐ Payments for business use of personal residence

☐ Tax indemnification and gross-up payments

☐ Health or social club dues or initiation fees

☐ Discretionary spending account

☐ Personal services (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.

☐ Compensation committee

☐ Written employment contract

☐ Independent compensation consultant

☒ Compensation survey or study

☐ Form 990 of other organizations

☒ Approval by the board or compensation committee

**4** During the year, did any person listed 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

1b		
2	X	
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X
9		

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

Schedule J (Form 990) 2021

**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 and/or 1099-NEC 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) Stu Davidson, MD	(i)	547,852.	2,400.	32,189.	0.	30,555.	612,996.	0.
Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) Charles Hendricks, MD	(i)	527,787.	2,400.	22,106.	0.	27,927.	580,220.	0.
Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) Aaron Perme, MD	(i)	397,365.	22,400.	20,130.	0.	19,609.	459,504.	0.
Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) Katherine Gassman, MD	(i)	344,044.	22,400.	118.	0.	12,636.	379,198.	0.
Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) Christina Maguire	(i)	285,809.	20,017.	27,910.	0.	28,071.	361,807.	0.
President & CEO	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) Peter Ossanna, MD	(i)	307,518.	2,400.	1,560.	0.	37,684.	349,162.	0.
Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) Nathan Donaldson, MD	(i)	220,320.	13,200.	19,687.	0.	36,518.	289,725.	0.
Trustee/Med. Staff Pres. (end 6/21)	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) Peter Witham, MD	(i)	210,241.	7,400.	408.	0.	30,301.	248,350.	0.
Trustee/Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) Michelle Smith	(i)	135,688.	18,611.	650.	0.	37,389.	192,338.	0.
Treasurer & CFO	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) Julian Kuffler, MD	(i)	165,312.	1,200.	415.	0.	24,450.	191,377.	0.
2nd Vice Chair/Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

Part I, Line 7:

Performance-based variable compensation which is subject to review annually  
by a board compensation committee.

**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.**

OMB No. 1545-0047

**2021**  
**Open to Public Inspection**

Name of the organization

Mount Desert Island Hospital

Employer identification number  
01-0211797

Part I	Bond Issues See Part VI for Column (f) Continuations											
	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	MHHEFA 2017B Bond	01-0314384	None	12/26/17	1,734,855.	Refinancing of 2007B Bond		X		X		X
B	MHHEFA Series 2020B	01-0314384	None	11/01/20	6,596,038.	Financing MRI Equipment, Constr		X		X	X	
C												
D												

<b>Part II Proceeds</b>									
	A		B		C		D		
1 Amount of bonds retired									
2 Amount of bonds legally defeased									
3 Total proceeds of issue	1,710,000.		6,516,000.						
4 Gross proceeds in reserve funds									
5 Capitalized interest from proceeds									
6 Proceeds in refunding escrows									
7 Issuance costs from proceeds									
8 Credit enhancement from proceeds									
9 Working capital expenditures from proceeds									
10 Capital expenditures from proceeds			6,516,000.						
11 Other spent proceeds	1,710,000.								
12 Other unspent proceeds									
13 Year of substantial completion	2007								
	Yes	No	Yes	No	Yes	No	Yes	No	
14 Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?	X			X					
15 Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X		X					
16 Has the final allocation of proceeds been made?	X		X						
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X						

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

Schedule K (Form 990) 2021

**Part III Private Business Use**

	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 .....		.00 %		.00 %		%		%
<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 .....		.00 %		.00 %		%		%
<b>6</b> Total of lines 4 and 5 .....		.00 %		.00 %		%		%
<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					

**Part IV Arbitrage**

	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 .....								
<b>c</b> Term of hedge .....								
<b>d</b> Was the hedge superintegrated? .....								
<b>e</b> Was the hedge terminated? .....								
<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: MHHEFA Series 2020B

(f) Description of Purpose:

Financing MRI Equipment, Construction, EMR System

**SCHEDULE M  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Noncash Contributions**

OMB No. 1545-0047

**2021**

Open to Public  
Inspection

- ▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**  
▶ **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

Mount Desert Island Hospital

Employer identification number

01-0211797

**Part I Types of Property**

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art .....				
2 Art - Historical treasures .....				
3 Art - Fractional interests .....				
4 Books and publications .....				
5 Clothing and household goods .....				
6 Cars and other vehicles .....				
7 Boats and planes .....				
8 Intellectual property .....				
9 Securities - Publicly traded .....	X	11	155,447.	Stock exchange value
10 Securities - Closely held stock .....				
11 Securities - Partnership, LLC, or trust interests .....				
12 Securities - Miscellaneous .....				
13 Qualified conservation contribution - Historic structures .....				
14 Qualified conservation contribution - Other ...				
15 Real estate - Residential .....				
16 Real estate - Commercial .....				
17 Real estate - Other .....				
18 Collectibles .....				
19 Food inventory .....				
20 Drugs and medical supplies .....				
21 Taxidermy .....				
22 Historical artifacts .....				
23 Scientific specimens .....				
24 Archeological artifacts .....				
25 Other ▶ ( .....				
26 Other ▶ ( .....				
27 Other ▶ ( .....				
28 Other ▶ ( .....				

29 Number of Forms 8283 received by the organization during the tax year for contributions  
for which the organization completed Form 8283, Part V, Donee Acknowledgement .....

29

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it  
must hold for at least three years from the date of the initial contribution, and which isn't required to be used for  
exempt purposes for the entire holding period? .....

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions? .....

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash  
contributions? .....

b If "Yes," describe in Part II.

33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked,  
describe in Part II.

	Yes	No
30a		X
31	X	
32a	X	
33		

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

Schedule M (Form 990) 2021



**Part II** **Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Schedule M, Line 32b:

The Hospital gift acceptance policy stipulates that stock donations are sold by their third-party investment advisors as soon as administratively possible.

**SCHEDULE O**  
**(Form 990)**

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 Form 990-EZ.

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

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**2021**

Open to Public  
Inspection

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Mount Desert Island Hospital

Employer identification number  
01-0211797

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

medication therapy management, health coaching, care management, coagulation management, financial and insurance workshops, and our oral health program which included education and outreach to the community, schools, and service providers. The Hospital provides volunteers as Certified Application Counselors to help enroll and educate members of our community into the Health Insurance Exchange options. Throughout the year, staff from the Hospital make presentations to area school children regarding smoking cessation, wellness, health, activity, nutrition, and oral health, including Give Kids a Smile Day, in which free or reduced cost screenings are available. Additionally, community groups such as the YMCA, Alcoholics Anonymous, Cancer Support, and Palliative Care use the Hospital's conference rooms for their meetings. Many hospital staff members serve other nonprofits in capacities such as volunteer hours and board of directors' memberships, as well as memberships in service organizations such as the local Healthy Acadia, Rotary, Chamber of Commerce, and Lions/Lioness clubs.

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

Persons who have endorsed the stated purpose of the Hospital shall be eligible for membership as Incorporators. The term of membership of all Incorporators shall be 5 years and terms expire at each Annual Meeting. At the Annual Meeting, the Incorporators may re-elect some or all of the Incorporators whose terms have expired at that meeting and may elect additional Incorporators provided, however, that the total number of members being re-elected plus additional members being elected shall not

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Schedule O (Form 990) 2021

Name of the organization

Mount Desert Island Hospital

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exceed thirty five elected members.

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

The voting Trustees shall be a maximum of 22 in number. The elected Incorporators shall choose up to 19 Trustees, all of whom shall have full voting rights.

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

The Form 990 is prepared by an outside independent accounting firm with input and assistance from Finance Department staff. The Trustees are provided with an electronic copy of the Form 990 and all supporting schedules (printed versions are also available upon request), except Schedule B which discloses donor information. Once the Finance Committee has completed its review, all Board of Trustees members are provided with a copy of the public version of Form 990. Trustees are given the opportunity to comment and review before the Form 990 is filed with the IRS. The President & CEO and the VP of Finance & CFO are available to answer any inquiries from members of the Board of Trustees. Trustees are also provided with a copy of the final Form 990 as it is filed.

Since the board reviews a public disclosure version of the 990 prior to filing, which has donor information redacted, Form 990, Line 11a has been answered "No".

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

Mount Desert Island Hospital monitors and enforces compliance with the conflict of interest policy by requiring all trustees, officers, and committee members to annually sign a statement affirming that each person

Name of the organization

Mount Desert Island Hospital

Employer identification number

01-0211797

has received, read, and understands the conflict of interest policy and that no such conflict exists. Additionally, interested persons have a duty to disclose any actual or possible conflicts of interest at the time they arise. After disclosing a potential conflict of interest and answering any questions that might be asked concerning such interest, the affected person shall withdraw from any meetings, deliberations, votes, or other matters concerning the conflict.

To ensure that the Hospital does not engage in activities that could jeopardize its tax exempt status, the Board of Trustees or a committee appointed by the Board of Trustees periodically reviews compensation and similar arrangements to ensure they are reasonable and are the result of arms-length bargaining. In conducting these reviews the Board of Trustees may use outside advisors.

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

The process used by Mount Desert Island Hospital for determining the President & CEO's compensation includes a review and approval by the governing body of the Organization. The governing body uses market data from an independent source to compare compensation models of similarly sized organizations within like demographic and geographic areas to align compensation packages.

The compensation of other officers and key employees is reviewed by the Human Resources Department using the same market data guidelines to compare and establish compensation for these positions.

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

Name of the organization

Mount Desert Island Hospital

Employer identification number

01-0211797

The annual report and Form 990 are available to the public on the Hospital's website. Governing documents, the conflict of interest policy, and the financial statements are available upon request.

Form 990, Part VII, Section A, Line 1:

Dr. Nathan Donaldson, Dr. Peter Witham, and Dr. Julius Kuffler are employees affiliated with Mount Desert Island Hospital. Compensation paid to them is for their services in these roles, and not for their services as members of the Board of Trustees.

Form 990, Part XII, Line 2c:

The audit process has not changed from the prior year.

## 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.

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# 2021

**Open to Public Inspection**

Name of the organization

# Mount Desert Island Hospital

**Employer identification number**  
01-0211797

**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.

[illegible]

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

Schedule R (Form 990) 2021

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
Mount Desert Management Company - 01-0538776 P.O. Box 8, 10 Wayman Lane Bar Harbor, ME 04609	Real Estate Development	ME	N/A	C CORP	N/A	N/A	N/A		X

**Part V Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
<b>1</b> 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?		
<b>a</b> Receipt of <b>(i)</b> interest, <b>(ii)</b> annuities, <b>(iii)</b> royalties, or <b>(iv)</b> rent from a controlled entity .....	<b>1a</b>	X
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....	<b>1b</b>	X
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....	<b>1c</b>	X
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	<b>1d</b>	X
<b>e</b> Loans or loan guarantees by related organization(s) .....	<b>1e</b>	X
<b>f</b> Dividends from related organization(s) .....	<b>1f</b>	X
<b>g</b> Sale of assets to related organization(s) .....	<b>1g</b>	X
<b>h</b> Purchase of assets from related organization(s) .....	<b>1h</b>	X
<b>i</b> Exchange of assets with related organization(s) .....	<b>1i</b>	X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....	<b>1j</b>	X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....	<b>1k</b>	X
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....	<b>1l</b>	X
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....	<b>1m</b>	X
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....	<b>1n</b>	X
<b>o</b> Sharing of paid employees with related organization(s) .....	<b>1o</b>	X
<b>p</b> Reimbursement paid to related organization(s) for expenses .....	<b>1p</b>	X
<b>q</b> Reimbursement paid by related organization(s) for expenses .....	<b>1q</b>	X
<b>r</b> Other transfer of cash or property to related organization(s) .....	<b>1r</b>	X
<b>s</b> Other transfer of cash or property from related organization(s) .....	<b>1s</b>	X
<b>2</b> 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) Birch Bay Retirement Village	O	168,384.	Actual per Books
(2) Birch Bay Retirement Village	R	180,645.	Actual per Books
(3) Birch Bay Retirement Village	S	800,000.	Actual per Books
(4)			
(5)			
(6)			



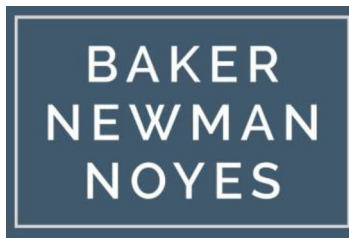
**Part VI** **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

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

[illegible]

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

Electronic Filing PDF Attachment



# **Mount Desert Island Hospital and Subsidiaries**

**Audited Consolidated Financial Statements  
and Additional Information**

*Years Ended April 30, 2022 and 2021  
With Independent Auditors' Report*

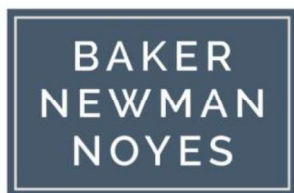
# **MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

## **AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION**

April 30, 2022 and 2021

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## **INDEPENDENT AUDITORS' REPORT**

Board of Trustees  
Mount Desert Island Hospital and Subsidiaries

### **Opinion**

We have audited the consolidated financial statements of Mount Desert Island Hospital and Subsidiaries (the Organization), which comprise the consolidated balance sheets as of April 30, 2022 and 2021, the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of April 30, 2022 and 2021, and the results of their operations, changes in net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a period of one year after the date that the financial statements are issued or available to be issued.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

*Baker Newman + Noyes LLC*

Portland, Maine  
August 17, 2022

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

April 30, 2022 and 2021

### ASSETS

	<u>2022</u>	<u>2021</u>
Current assets:		
Cash and cash equivalents	\$17,457,412	\$20,308,418
Accounts receivable	10,857,883	8,765,331
Due from Birch Bay Village Association	205,489	134,272
Inventories	554,048	510,114
Prepaid expenses and other current assets	831,511	661,296
Current portion of pledges receivable	1,210,338	625,054
Trustee held funds	<u>757,338</u>	<u>1,004,871</u>
Total current assets	31,874,019	32,009,356
Assets limited as to use or donor restricted:		
Board-designated funds	11,604,318	9,239,943
Trustee held funds, net of current portion	—	6,183,792
Donor-restricted funds	<u>3,425,650</u>	<u>2,749,681</u>
Total investments	15,029,968	18,173,416
Pledges receivable, net of current portion	2,464,268	664,520
Beneficial interest in perpetual trusts	<u>1,849,307</u>	<u>2,019,057</u>
Total assets limited as to use or donor restricted	19,343,543	20,856,993
Property and equipment, net	32,326,895	28,919,200
Other assets:		
Resident priority and construction deposits	347,650	277,826
Investments to fund deferred compensation	3,665,245	4,034,969
Other assets	<u>2,411,653</u>	<u>1,816,711</u>
Total other assets	<u>6,424,548</u>	<u>6,129,506</u>
Total assets	<u>\$89,969,005</u>	<u>\$87,915,055</u>



LIABILITIES AND NET ASSETS

	<u>2022</u>	<u>2021</u>
Current liabilities:		
Accounts payable and accrued expenses	\$ 3,644,418	\$ 4,787,945
Accrued payroll and benefit related liabilities	5,841,350	4,909,939
Estimated third-party payor settlements	7,407,565	8,491,036
Deferred revenue	—	5,353,947
Current portion of long-term obligations	<u>1,293,215</u>	<u>1,841,276</u>
Total current liabilities	18,186,548	25,384,143
Resident priority and construction deposits	347,650	277,826
Long-term obligations, less current portion	13,825,205	17,844,618
Deferred compensation	3,665,245	4,034,969
Other long-term liabilities	<u>2,475,376</u>	<u>2,004,963</u>
Total liabilities	38,500,024	49,546,519
Net assets:		
Without donor restrictions	42,519,418	32,310,224
With donor restrictions	<u>8,949,563</u>	<u>6,058,312</u>
Total net assets	51,468,981	38,368,536
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$89,969,005</u>	<u>\$87,915,055</u>

See accompanying notes.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF OPERATIONS

Years Ended April 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenues without donor restrictions, gains and other support:		
Patient service revenues	\$73,598,360	\$63,392,943
Resident revenue	5,103,708	5,241,260
Commission revenue	35,200	82,320
Other revenue	4,281,214	4,350,333
CARES Act relief funding	5,439,904	7,551,500
Gifts and bequests	1,221,707	1,504,690
Net assets released from restrictions used for operations	<u>765,208</u>	<u>620,694</u>
Total revenues without donor restrictions, gains and other support	90,445,301	82,743,740
Expenses:		
Salaries and employee benefits	51,225,471	47,199,414
Supplies and other expenses	25,912,736	22,307,518
Health care provider tax	1,223,123	1,124,112
Depreciation and amortization	2,290,077	2,388,972
Interest	<u>468,983</u>	<u>587,190</u>
Total expenses	<u>81,120,390</u>	<u>73,607,206</u>
Operating income	9,324,911	9,136,534
Other income (loss):		
Interest income	136,803	156,555
Recognized (loss) gain in fair value of investments	(2,164,250)	997,857
Gain on sale of property and equipment	2,551,398	6,963
Other miscellaneous expense	(115,329)	(153,743)
Gain on refinance of long-term obligations	<u>—</u>	<u>53,565</u>
Total other income	<u>408,622</u>	<u>1,061,197</u>
Excess of revenues, gains and other support over expenses	9,733,533	10,197,731
Net assets released from restrictions used for purchase of property and equipment	<u>475,661</u>	<u>194,935</u>
Increase in net assets without donor restrictions	<u>\$10,209,194</u>	<u>\$10,392,666</u>

See accompanying notes.

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS**

Years Ended April 30, 2022 and 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balances at May 1, 2020	\$21,917,558	\$4,020,939	\$25,938,497
Excess of revenues, gains and other support over expenses	10,197,731	—	10,197,731
Change in value of beneficial interest in perpetual trusts	—	379,826	379,826
Restricted contributions	—	2,473,176	2,473,176
Net assets released from restrictions used for operations	—	(620,694)	(620,694)
Net assets released from restrictions used for purchase of property and equipment	<u>194,935</u>	<u>(194,935)</u>	<u>—</u>
Balances at April 30, 2021	32,310,224	6,058,312	38,368,536
Excess of revenues, gains and other support over expenses	9,733,533	—	9,733,533
Change in value of beneficial interest in perpetual trusts	—	(169,750)	(169,750)
Restricted contributions	—	4,301,870	4,301,870
Net assets released from restrictions used for operations	—	(765,208)	(765,208)
Net assets released from restrictions used for purchase of property and equipment	<u>475,661</u>	<u>(475,661)</u>	<u>—</u>
Balances at April 30, 2022	<u>\$42,519,418</u>	<u>\$8,949,563</u>	<u>\$51,468,981</u>

See accompanying notes.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended April 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ 13,100,445	\$ 12,430,039
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Change in beneficial interest in perpetual trusts	169,750	(379,826)
Depreciation and amortization	2,290,077	2,388,972
Gain on sale of property and equipment	(2,551,398)	(6,963)
Gain on refinance of long-term obligations	—	(53,565)
Forgiveness of Payroll Protection Program loan	—	(7,551,500)
Change in net unrealized and realized losses (gains) on investments	2,164,250	(997,857)
Restricted contributions	(4,301,870)	(2,473,176)
Change in pledges receivable, net	(2,385,032)	(1,220,617)
Changes in operating assets and liabilities:		
Accounts receivable	(2,092,552)	(2,086,297)
Other receivables and assets	(666,159)	1,403,076
Estimated third-party payor settlements	(1,083,471)	1,563,825
Prepaid expenses and other current assets and inventories	(214,149)	(59,035)
Accounts payable and accrued expenses	(1,143,527)	1,030,894
Accrued payroll and employee benefits	931,411	549,852
Deferred revenue	(5,353,947)	5,353,947
Other long-term liabilities	<u>470,413</u>	<u>(1,424,870)</u>
Net cash (used) provided by operating activities	(665,759)	8,466,899
Cash flows from investing activities:		
Purchases of property and equipment	(8,113,451)	(4,356,570)
Proceeds from sale of property and equipment	4,859,029	84,207
Purchase of investments	(5,441,166)	(2,728,284)
Proceeds from sales of investments	6,420,364	191,082
Decrease (increase) in trustee held funds	<u>247,533</u>	<u>(6,376,886)</u>
Net cash used by investing activities	(2,027,691)	(13,186,451)
Cash flows from financing activities:		
Restricted contributions	4,301,870	2,473,176
Repayments of long-term obligations	(4,459,426)	(1,525,831)
Amounts paid to refinance long-term obligations	—	(4,142,336)
Proceeds of long-term obligations	<u>—</u>	<u>11,234,738</u>
Net cash (used) provided by financing activities	<u>(157,556)</u>	<u>8,039,747</u>
Net (decrease) increase in cash and cash equivalents	(2,851,006)	3,320,195
Cash and cash equivalents at beginning of year	<u>20,308,418</u>	<u>16,988,223</u>
Cash and cash equivalents at end of year	<u>\$ 17,457,412</u>	<u>\$ 20,308,418</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	<u>\$ 483,183</u>	<u>\$ 535,763</u>

See accompanying notes.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 1. **Organization**

Mount Desert Island Hospital (Hospital) located in Bar Harbor, Maine is a not-for-profit healthcare facility designated as a critical access hospital (CAH) by Medicare for reimbursement purposes. Birch Bay Retirement Village (BBRV or Community) operates a facility (Inn) consisting of 32 assisted living and 23 independent living units. Mount Desert Management Company (MDMC) is a for-profit entity (owned by BBRV) established to develop cottages, which are part of the Community and are located in close proximity to the Inn. Once the cottages were completed and sold, ownership of the cottages transferred from MDMC to Birch Bay Village Association (BBVA or Association). The Association is a separate entity owned by the shareholders/cottage owners. Its assets, liabilities and operations are not included in these consolidated financial statements.

The Hospital is a member of the Maine Rural Health Collaborative (Collaborative), a limited liability company, along with five other Maine healthcare organizations. The purpose of the Collaborative is to promote the effective, efficient and rational expenditure of each member's resources to preserve and enhance future access to critical, primary, and preventative healthcare services within the communities served by the members.

### 2. **Summary of Significant Accounting Policies**

#### *Principles of Consolidation*

The accompanying consolidated financial statements include the accounts of the Hospital and its wholly-owned subsidiaries, BBRV and its subsidiary MDMC (collectively, Organization). Intercompany balances and transactions have been eliminated from the consolidated financial statements.

#### *Use of Estimates*

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States (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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The more significant areas which are affected by the use of estimates include accounts receivable valuation, the reserves for self-insurance, reserves for medical malpractice liability and estimated third-party payor settlements.

#### *Cash and Cash Equivalents*

All highly liquid savings deposits and investments with maturities of three months or less when purchased are considered to be cash equivalents.

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. It has experienced no losses in such accounts, and management believes it is not exposed to any significant risk on cash and cash equivalents.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 2. **Summary of Significant Accounting Policies (Continued)**

#### Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Balances that are still outstanding after management has used reasonable collection efforts are written off.

When the Hospital has an unconditional right to payment, subject only to the passage of time, the right is treated as a receivable. Patient accounts receivable, including billed accounts and unbilled accounts for which there is an unconditional right to payment, and estimated amounts due from third-party payors for retroactive adjustments, are receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due. For accounts receivable, the estimated uncollectible amounts are generally considered implicit price concessions that are a direct reduction to patient accounts receivable rather than allowance for uncollectible accounts.

#### Investments

Investments are measured at fair value on the balance sheet. Investment income, including realized and unrealized gains and losses on investments, interest and dividends, is included in the excess of revenues, gains and other support over expenses unless the income is restricted by donor or law. Gains and losses on sales of investments are computed based on specific identification of the investment sold. Periodically, management reviews the investment portfolio for securities with unrealized losses in value that may be other than temporary and reclassifies such losses to other income (loss).

The fair value topic of the Accounting Standards Codification (ASC) defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Under GAAP, certain assets and liabilities must be measured at fair value, and disclosures are required for items measured at fair value. Entities may elect to report financial instruments and certain other items at fair value on a contract-by-contract basis with changes in value reported in the excess of revenues, gains and other support over expenses. The Organization made this election to reflect changes in the fair value, including both increases and decreases in value whether realized or unrealized, in its excess of revenues, gains and other support over expenses.

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

#### Inventories

Inventoried supplies, which include pharmaceuticals, are carried at the lower of cost (determined by the first-in, first-out method) or net realizable value.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 2. Summary of Significant Accounting Policies (Continued)

#### Trustee Held Funds and Assets Limited as to Use

In connection with its bonds payable to Maine Health and Higher Educational Facilities Authority (MHHEFA), the Organization is required to maintain certain funds which are held by bond trustees. In addition, the Board of Trustees periodically segregates certain general fund assets as internally designated assets in order to provide for the future replacement of property and equipment and other uses.

#### Deferred Financing Costs

Deferred financing costs represent issuance costs incurred in relation to notes payable and other long-term obligations. The issuance costs are being amortized using the straight-line method over the life of the debt and are classified as part of long-term obligations on the balance sheet.

#### Net Assets With Donor Restrictions

Net assets with donor restrictions include those assets whose use by the Organization has been limited by donors or law to a specific time period or purpose. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

#### Beneficial Interest in Perpetual Trusts

Beneficial interests in perpetual trusts consist of the Organization's proportionate share of the fair value of assets held by trustees in trust for the benefit of the Organization in perpetuity, the income from which is available for distribution to the Organization periodically. The assets held in trust consist primarily of cash equivalents and marketable securities. The fair values of perpetual trusts are measured using the net asset value as a practical expedient. Such amounts are included in net assets with donor restrictions in the accompanying consolidated balance sheets. Distribution from beneficial interests in perpetual trusts is included in other income (loss), unless restricted by donors.

#### Donor-Restricted Gifts

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

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 2. Summary of Significant Accounting Policies (Continued)

#### Pledges Receivable

Pledges receivable represent promises to give by donors in connection with the Organization's capital campaign. The Organization is embarking on a multi-phase and multi-year expansion and renovation project as funding allows. This includes a center for medical education and housing, improved mechanical performance, expanded emergency department, renovated surgical services area and a dedicated main entrance to the Hospital. All pledges receivable are expected to be collected in the next one to four years. An allowance for pledges receivable is provided as necessary by management based on a review of the underlying pledges. The Organization has determined that a \$408,000 and \$156,000 allowance for uncollectible pledges receivable is necessary at April 30, 2022 and 2021, respectively. Amounts will be charged off against the established allowance when deemed necessary.

#### Property and Equipment

Property and equipment is stated at cost or at fair value at the date of donation for assets contributed to the Organization. The provision for amortization and depreciation of property and equipment has been determined on the straight-line method in a manner which is intended to amortize the cost of assets over their estimated useful lives. Assets which have been purchased but not yet placed in service are included in construction in progress and no depreciation expense is recorded on such assets.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support, and excluded from the excess of revenues, gains, and other support 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 restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

#### Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. Payment arrangements include prospectively-determined rates per discharge, reimbursed costs, discounted charges and per diem payments. 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 include variable consideration (reductions to revenue) for retroactive revenue adjustments due to settlement of ongoing and future audits, reviews, and investigations.

The Hospital uses a portfolio approach to account for categories of patient contracts as a collective group rather than recognizing revenue on an individual contract basis. The portfolios primarily consist of major types of payors. Based on historical collection trends and other analyses, the Hospital believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach were used.



# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 2. Summary of Significant Accounting Policies (Continued)

#### Free and Discounted Care

The Hospital provides care to patients who meet certain criteria under its free and discounted care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as free and discounted care, they are not reported as revenue. The Hospital maintains records to identify the amount of charges foregone for services and supplies furnished under its free and discounted care policy, as well as the estimated cost of those services and supplies and equivalent service statistics.

The following information measures the level of free and discounted care provided during the years ended April 30:

	<u>2022</u>	<u>2021</u>
Charges foregone, based on established rates	<u>\$135,000</u>	<u>\$658,000</u>
Estimated costs and expenses incurred to provide free and discounted care	<u>\$ 85,000</u>	<u>\$429,000</u>
Equivalent percentage of free and discounted care charges to all Hospital patient charges	<u>0.63%</u>	<u>0.65%</u>

Cost of providing free and discounted care services has been estimated based on an overall financial statement ratio of costs to charges applied to free and discounted care charges forgone.

#### Excess of Revenues, Gains and Other Support Over Expenses

The consolidated statements of operations include excess of revenues, gains and other support over expenses. Changes in net assets without donor restrictions which are excluded from this measure, consistent with industry practice, include net assets released from restrictions used for purchase of property and equipment.

#### Income Taxes

The Hospital and BBRV are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (Code). MDMC is a for-profit entity and is, therefore, subject to income taxes. Income taxes are recorded based upon the asset and liability method as prescribed by Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. At April 30, 2022 and 2021, MDMC has certain net operating loss carryforwards which have been reduced by a valuation allowance of an equal amount as it is not presently considered likely that the deferred tax assets will be realized.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 2. Summary of Significant Accounting Policies (Continued)

Tax-exempt organizations could be required to record an obligation for income taxes as the result of a tax position they have historically taken on various tax exposure items including unrelated business income or tax status. Under guidance issued by the FASB, assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the "more-likely-than-not" threshold, based upon the technical merits of the position. The Organization has evaluated the positions taken on its filed tax returns. The Organization has concluded no uncertain income tax positions exist at April 30, 2022.

#### Prospective Accounting Pronouncement

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* (ASU 2016-02). Under ASU 2016-02, at the commencement of a long-term lease, lessees will recognize a liability equivalent to the discounted payments due under the lease agreement, as well as an offsetting right-of-use asset. ASU 2016-02 is effective for the Organization on May 1, 2022. Lessees (for capital and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the consolidated financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees may not apply a full retrospective transition approach. The Organization is currently evaluating the impact of the pending adoption of ASU 2016-02 on the consolidated financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 enhances the presentation of disclosure requirements for contributed nonfinancial assets. ASU 2020-07 requires entities to present contributed nonfinancial assets as a separate line item in the statement of operations and disclose the amount of contributed nonfinancial assets recognized within the statement of operations by category that depicts the type of contributed nonfinancial assets, as well as a description of any donor-imposed restrictions associated with the contributed nonfinancial assets and the valuation techniques used to arrive at a fair value measure at initial recognition. ASU 2020-07 is effective for the Organization beginning May 1, 2022. The Organization does not expect this standard to have a significant impact on the consolidated financial statements.

#### COVID-19 Pandemic and CARES Act and Other Relief Funding

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. In response, the federal and state governments provided financial assistance to health care organizations. During the year ended April 30, 2020, the Hospital received an \$8 million advance payment from the Medicare Accelerated and Advanced Payment Program. Payments made under this federal program must be repaid. During 2022 and 2021, approximately \$5,400,000 and \$200,000, respectively, of repayment had been made based on repayment guidelines. The remaining advances of \$2.4 million and \$7.8 million was recorded in estimated third-party payor settlements as a short-term liability at April 30, 2022 and 2021, respectively.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 2. Summary of Significant Accounting Policies (Continued)

Since the declaration of the pandemic in March 2020, the Hospital has received \$7.3 million in relief funds and grants from federal and state sources. The grants include \$6.5 million related to the *Coronavirus Aid, Relief and Economic Security Act* (CARES Act) Provider Relief Funds (PRF). Such funds are accounted for as government grants and are recognized as other revenue once there is reasonable assurance that the applicable terms and conditions required to retain the funds have been met. For 2022 and 2021, the Hospital recorded approximately \$5.2 million and \$200,000 of other revenue, respectively. The remaining funds were recorded for the year ending April 30, 2020.

In April 2020, the Organization received loan proceeds from the Small Business Association (SBA) in the amount of \$7,551,500 under the Paycheck Protection Program (PPP). The PPP, established as part of the CARES Act, provided for loans to business in amounts up to 2.5 times the average monthly payroll expenses for the Organization. Loans were subject to terms that were forgivable after eight or twenty-four weeks, based on the borrower's election, as long as the borrower used the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The Organization utilized all of the proceeds for the purpose consistent with the PPP. During the April 30, 2021 fiscal year, the Organization received notification that 100% of its PPP loans had been forgiven by the SBA and no further action is required. The Organization recognized \$7,551,500 as CARES Act relief funding revenue for the year ended April 30, 2021 as other income.

#### Reclassifications

Certain 2021 amounts have been reclassified to permit comparison with the 2022 consolidated financial statement presentation format.

#### Subsequent Events

Events occurring after the consolidated balance sheet date are evaluated by management to determine whether such events should be recognized or disclosed in the consolidated financial statements. Management has evaluated subsequent events through August 17, 2022, which is the date the consolidated financial statements were available to be issued.

### 3. Patient Service Revenue and Estimated Third-Party Payor Settlements

Revenues generally relate to contracts with patients in which the Hospital's performance obligations are to provide health care services to patients. Revenues are recorded during the period obligations to provide health care services are satisfied. Performance obligations for inpatient services are generally satisfied over a period of days. Performance obligations for outpatient services are generally satisfied over a period of less than one day. The contractual relationships with patients, in most cases, also involve a third-party payor (Medicare, Medicaid, managed care health plans and commercial insurance companies, including plans offered through the health insurance exchanges) and the transaction prices for the services provided are dependent upon the terms provided by Medicare and Medicaid or negotiated with managed care health plans and commercial insurance companies, the third-party payors. The payment arrangements with third-party payors for the services provided to related patients typically specify payments at amounts less than standard charges.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 3. Patient Service Revenue and Estimated Third-Party Payor Settlements

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

- Medicare - The Hospital is designated as a CAH. Under that designation, the Hospital is reimbursed 101% of allowable costs for its inpatient and outpatient services provided to Medicare patients. The Hospital is reimbursed for cost reimbursable items at tentative interim rates with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through April 30, 2018.
- MaineCare - The Hospital's approval for CAH status also impacts reimbursement under the MaineCare program, whereby the Hospital is reimbursed 109% of allowable cost for inpatient and outpatient services. Other items not classified as inpatient or outpatient by MaineCare are reimbursed at cost or some specified discount from cost. The Hospital is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the fiscal intermediary. Final settlements have been issued through April 30, 2017.
- Anthem - Services provided to Anthem subscribers were reimbursed at a discount from established charges and settlements are performed annually. The Anthem settlement has been finalized for 2021.
- Other - The Hospital has entered into payment agreements with certain commercial insurance carriers and health maintenance 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.

Revenues are based upon estimated amounts that the Hospital expects to be entitled to receive from patients and third-party payors. Revenues under managed care and commercial insurance plans are based upon the payment terms specified in the related contractual agreements. Revenues related to uninsured patients and uninsured copayment and deductible amounts for patients who have health care coverage may have discounts applied (uninsured discounts and contractual discounts) and the recorded revenue is based primarily on historical collection experience.

Revenues from third-party payors and the uninsured are summarized as follows at April 30:

	<u>2022</u>	<u>2021</u>
Medicare	\$24,669,426	\$20,962,578
Medicaid	5,778,424	5,049,221
Anthem Blue Cross and Blue Shield	9,146,707	8,273,267
Other third-party payors	31,114,591	25,898,293
Patients	<u>2,889,212</u>	<u>3,209,584</u>
Patient service revenue	<u>\$73,598,360</u>	<u>\$63,392,943</u>

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 3. **Patient Service Revenue and Estimated Third-Party Payor Settlements (Continued)**

The collection of outstanding receivables for Medicare, Medicaid, other third-party payors and patients is the Hospital's primary source of operating cash and is critical to operating performance. The primary collection risks relate to uninsured patient accounts, including patient accounts for which the primary insurance carrier has paid the amounts covered by the applicable agreement, but patient responsibility amounts (deductibles and copayments) remain outstanding. Implicit price concessions relate primarily to amounts due directly from patients. Estimated implicit price concessions are recorded for all uninsured accounts, regardless of the aging of those accounts. Accounts are written off when all reasonable internal and external collection efforts have been performed. The estimates for implicit price concessions are based upon management's assessment of historical writeoffs and expected net collections, business and economic conditions, trends in federal, state and private employer health care coverage and other collection indicators. Management relies on the results of detailed reviews of historical writeoffs and collections at facilities that represent a majority of the Hospital's revenues and accounts receivable as a primary source of information in estimating the collectability of accounts receivable.

Revenue from the Medicare and MaineCare programs accounted for approximately 33% and 8% of the Hospital's patient service revenue for the years ended April 30, 2022 and 2021. Laws and regulations governing the Medicare and MaineCare programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Patient service revenue increased (decreased) by approximately \$900,000 and \$(190,000) in 2022 and 2021, respectively, as a result of prior year settlements and changes in prior year third-party payor estimates.

The State of Maine enacted legislation establishing a health care provider tax (State tax). As a result, the Hospital was subjected to and recorded \$1,223,123 and \$1,124,112 of State tax in 2022 and 2021, respectively.

### 4. **Trustee Held Funds**

As part of the agreements the Organization has with MHHEFA in conjunction with its bond issues, the Organization is required to maintain certain debt service funds. The total amounts held in these funds by a trustee are as follows at April 30:

	<u>2022</u>	<u>2021</u>
2012A	\$ 88,410	\$ 95,100
2017B	2,568	325,008
2020A	373,846	356,167
2020B	292,514	228,596
2020B – construction	—	<u>6,183,792</u>
	<u>\$757,338</u>	<u>\$7,188,663</u>

All trustee held funds consist of cash equivalents and the market value of these instruments approximates cost. The 2020B constructions funds were used in 2022 to fund the purchase of certain property and equipment.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 5. Investments

Investments are designated as follows at April 30:

	<u>2022</u>	<u>2021</u>
Assets limited as to use – Board designated:		
J.C. Warren Employee Education Program	\$ 302,477	\$ 302,477
MDI without donor restrictions fund	11,300,993	8,936,448
Other	<u>848</u>	<u>1,018</u>
	11,604,318	9,239,943
Assets limited as to use – with donor restrictions:	<u>3,425,650</u>	<u>2,749,681</u>
	<u>\$15,029,968</u>	<u>\$11,989,624</u>

Investments with and without donor restrictions at fair value consist of the following at April 30:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 4,592,321	\$ 2,034,525
Exchange traded funds	413,813	244,628
Mutual funds	9,722,510	9,297,782
Fixed income	<u>301,324</u>	<u>412,689</u>
	<u>\$15,029,968</u>	<u>\$11,989,624</u>

The Hospital's primary responsibility is to provide health care services to the communities within its service area. In order to accomplish this goal, the Hospital maintains resources to assure monies are available to provide for future retirement of debt, replacement of capital equipment, and a return on investment in order to accommodate inflationary increases in equipment costs and to remain technologically current.

In accordance with the Board of Trustees' (Board) interpretation of the State of Maine's *Uniform Prudent Management of Institutional Funds Act* (UPMIFA), the Hospital includes earnings on endowment net assets with donor restrictions as accumulated appreciation on donor-restricted endowment funds until appropriated for expenditure by proper governing Board action. From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Hospital has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law.

The basic objectives of the Hospital's investment policy are to emphasize long-term growth of principal while avoiding excessive risk and to achieve returns in excess of spending plus the rate of inflation over the investment horizon in order to preserve the purchasing power of Hospital assets to fund new programs and capital purchases. The long-term asset mix of investments is based on the following allocation guidelines:

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 5. Investments (Continued)

<u>Asset Class</u>	<u>Range Minimum-Maximum</u>
Equities	40% - 80%
Fixed income securities	15% - 60%
Short-term bonds	0% - 20%
Cash and cash equivalents	0% - 10%

Total annualized returns of an actively managed portfolio are expected to:

- Meet or exceed, on a risk adjusted basis, the return of a balanced market index comprised of:

70%	MSCI ACWI Index
25%	Barclays Aggregate Bond Index
5%	Barclays 1-3 year Government Aggregate Bond Index

It is expected the investment portfolio will display an overall level of risk which is consistent with the risk associated with the composite benchmark specified above. Risk is measured by the standard deviation of quarterly returns.

### 6. Property and Equipment

Property and equipment consists of the following at April 30:

	<u>2022</u>	<u>2021</u>
Land and improvements	\$ 5,512,836	\$ 5,993,536
Buildings and improvements	41,302,894	41,604,012
Fixed equipment	<u>28,356,685</u>	<u>21,876,643</u>
	75,172,415	69,474,191
Less allowances for depreciation and amortization	<u>(43,251,888)</u>	<u>(42,249,929)</u>
	31,920,527	27,224,262
Construction in progress	<u>406,368</u>	<u>1,694,938</u>
	<u>\$ 32,326,895</u>	<u>\$ 28,919,200</u>

The Organization realized a net gain on the sale of property and equipment of \$2,551,398 and \$6,963 for the years ended April 30, 2022 and 2021, respectively. One transaction accounted for substantially all gains realized in 2022. In February 2022, the Organization sold a property to an unrelated party. Net proceeds of approximately \$4.5 million resulted in a gain of approximately \$2.3 million.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 7. Real Estate Development Costs

BBRV is a retirement community located in Hulls Cove, Maine, which consists of several different components located on the same campus. One component of the Community is a 55-unit facility referred to as the Inn, which consists of 32 assisted living suites and 23 independent living apartments.

The other component of the Community is 20 separate cottage units. The occupancy of the units at BBVA is made available to shareholders of BBVA through residency agreements. The cost of these cottages and operating results of BBVA are not reflected in the Hospital's consolidated financial statements.

The land the cottages are situated on is leased from BBRV to BBVA and is managed by MDMC. The land lease requires monthly rental payments for a period of 99 years. The initial base rent is \$600 per cottage per year. Lease payments were \$12,000 in both 2022 and 2021, and management fees were approximately \$195,000 and \$181,000 in 2022 and 2021, respectively. Due from BBVA of \$205,489 and \$134,272 at April 30, 2022 and 2021, respectively, represents land lease payments, cooperative fees and shared expenses expected to be received within one year.

As of April 30, 2022 and 2021, BBRV maintained priority deposits to reserve units in the Inn, as well as security deposits for residents, totaling \$347,650 and \$277,826, respectively. These funds are held separately. The priority deposits are noninterest bearing and are refundable.

### 8. Borrowings

#### Line of Credit

The Hospital has an available commercial line of credit with interest at the prime lending rate (3.50% at April 30, 2022). Maximum borrowings under the agreement are \$1,000,000. The line of credit expires on April 5, 2023.

There were no amounts outstanding on the line of credit at April 30, 2022. Advances are collateralized by the Hospital's unrestricted investments.

#### Long-Term Obligations

Long-term obligations consist of the following at April 30:

	<u>2022</u>	<u>2021</u>
<b>Mount Desert Island Hospital</b>		
MHHEFA Revenue Bonds, Series 2020B, interest rates varying between 2.75% and 5.00%, principal due in amounts ranging from \$165,000 to \$475,000 through 2040, plus remaining premium of \$463,650 in 2022 and \$488,712 in 2021	\$ 6,894,688	\$ 7,084,750
MHHEFA Revenue Bonds, Series 2017B, interest rates varying between 4.0% and 5%, principal due in amounts ranging from \$195,000 to \$405,000. Paid in full during 2022	—	402,387



# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 8. Borrowings (Continued)

	<u>2022</u>	<u>2021</u>
<b>Mount Desert Island Hospital (Continued)</b>		
\$3,600,000 mortgage note payable, interest rate at the prime rate plus 0.75% (4.25% at April 30, 2022), maturing January 6, 2036, due in monthly installments totaling \$19,936; collateralized by real estate	\$ 2,517,639	\$ 2,675,311
\$2,000,000 note payable, due in monthly installments of \$38,045, including interest at a rate of 5.25%, through April 2023; collateralized by accounts receivable	443,525	864,198
\$197,000 mortgage note payable, interest at the greater of the prime rate plus 0.75% or 4.25%, monthly installments of \$1,074, including interest through May 19, 2035. Paid in full during 2022	—	135,550
\$183,750 mortgage note payable, interest at the greater of the prime rate plus 1.0% or 4.25%, monthly installments of \$1,002, including interest through March 18, 2036. Paid in full during 2022	—	135,681
\$1,900,000 mortgage payable, interest rate of 6% through January 9, 2028, monthly installments of \$13,612. Paid in full during 2022	—	904,808
\$520,000 note payable, interest rate of 4.75% through December 12, 2019 and then the prime rate plus 0.75% through November 12, 2024, monthly installments of \$5,469, including interest through November 12, 2024 based on the prime rate in effect. Paid in full during 2022	—	214,073
\$496,000 mortgage note payable, interest rate of 4.875% through April 27, 2022 and then the prime rate plus 0.75%, through April 27, 2037, monthly installments of \$3,259, including interest through April 27, 2037. Paid in full during 2022	—	431,679
\$240,000 note payable, interest at the prime rate plus 0.75%, monthly installments of \$1,552, including interest through May 14, 2037. Paid in full during 2022	—	207,569
\$408,000 mortgage note payable, interest at 6%, monthly installments of \$2,651, including interest through April 18, 2044. Paid in full during 2022	—	381,496
\$468,000 mortgage note payable; interest at 4.13% through October 8, 2025 and then the prime rate plus 0.75%, monthly installments of \$2,518, including interest through September 2045. Paid in full during 2022	—	461,676
Various capital leases bearing interest at fixed rates ranging from 3.50% to 5.98%. Paid in full during 2022	—	15,632

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 8. Borrowings (Continued)

	<u>2022</u>	<u>2021</u>
<b>Birch Bay Retirement Village</b>		
MHHEFA Revenue Bonds, Series 2020A, interest rates varying between 4.0% and 5.0%, principal due in amounts ranging from \$345,000 to \$530,000 through 2031, plus remaining premium of \$546,059 in 2022 and \$613,613 in 2021	\$ 4,371,759	\$ 4,784,813
MHHEFA Revenue Bonds, Series 2012A, interest rates varying between 2.0% and 5.0%, principal due in amounts ranging from \$75,000 to \$115,000 through 2032, plus remaining premium of \$74,373 in 2022 and \$82,442 in 2021	1,119,073	1,216,328
\$44,000 note payable, due in monthly installments of \$811, including interest at a rate of 3.99% through July 1, 2021.		
Paid in full during 2022	—	2,417
	15,346,684	19,918,368
Less current portion	(1,293,215)	(1,841,276)
Less bond issuance costs	(228,264)	(232,474)
	<u>\$13,825,205</u>	<u>\$17,844,618</u>

The Hospital and BBRV are required to make monthly deposits with the trustee to fund principal and interest payments on the bonds as they come due. The Hospital's 2020 and 2017 bonds are collateralized by a security interest in all gross receipts of the Hospital, its equipment and a mortgage lien on the Hospital real estate. BBRV's 2020 and 2012 bonds are collateralized by the gross receipts of BBRV, its equipment and fixtures, and a mortgage lien on BBRV's real estate.

In May 2022, BBRV entered into a note agreement with MHHEFA in conjunction with MHHEFA's issuance of Revenue Bond Series 2022A. Proceeds were used for insubstance defeasance of Revenue Bond Series 2012A.

In June 2020, BBRV entered into a note agreement with MHHEFA in conjunction with MHHEFA's issuance of Revenue Bond Series 2020A. Proceeds were used for insubstance defeasance of Revenue Bond Series 2010B. BBRV anticipates a net interest reduction over the term of the new note and recognized a gain on refinance of \$53,565 in the year ended April 30, 2021.

Under their agreements with MHHEFA, the Hospital and BBRV must meet certain restrictive loan covenants. The Hospital was in compliance with these requirements at April 30, 2022.

Assets recorded under capital leases totaled \$1,216,551 at April 30, 2021. Accumulated amortization associated with these assets totaled \$920,793 in 2021. The cost of these assets has been included with property and equipment. Because the Hospital had the right to purchase the leased assets for nominal amounts at the end of the lease terms, such assets are amortized over their useful lives, which exceed the lease terms. Amortization expense for assets under capital leases was approximately \$126,441 in 2021 and has been included with depreciation and amortization expense in the consolidated financial statements. Capital leases were paid in full during 2022.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 8. Borrowings (Continued)

Scheduled principal repayments on long-term obligations are as follows:

2023	\$ 1,293,215
2024	880,210
2025	926,461
2026	962,719
2027	999,236
Thereafter	<u>10,284,843</u>
	<u>\$15,346,684</u>

### 9. Net Assets With Donor Restrictions

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

	<u>2022</u>	<u>2021</u>
Purpose restriction:		
U-Penn Pilot Project	\$ 123,750	\$ 153,278
Community Health Center	133,557	133,557
Palliative Care support	50,400	50,400
Straus Center support	208,492	208,492
Master Campus Expansion Project	1,850,500	—
Generator Project	759,140	742,239
MRI Project	427,115	540,500
Kogod Education Center	3,043,130	1,504,100
Other	<u>67,527</u>	<u>270,044</u>
	6,663,611	3,602,610
Perpetual in nature:		
Expendable for free care and hospital operations	436,645	436,645
Beneficial interest in trust funds held by others	<u>1,849,307</u>	<u>2,019,057</u>
	<u>2,285,952</u>	<u>2,455,702</u>
Total net assets with donor restrictions	<u>\$8,949,563</u>	<u>\$6,058,312</u>

The Hospital is the beneficiary of five trusts as of April 30, 2022 and 2021, a portion of the income from which is unrestricted and is to be paid to the Hospital in perpetuity for hospital operations. The Hospital's interest in the trusts is recognized as an asset based on the fair market value of the underlying assets, which totaled \$1,849,307 and \$2,019,057 as of April 30, 2022 and 2021, respectively. Increases and decreases in the carrying value of these assets are included in net assets with donor restrictions.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 9. Net Assets With Donor Restrictions (Continued)

In addition to these five trusts, the Hospital has been named the beneficiary of a sixth trust, that is used to fund a scholarship for a local student in the medical field. The Hospital has been unable to obtain sufficient information to estimate the fair value of the beneficial interest and has not reflected the trust on the consolidated balance sheet. The Hospital received distributions from the trust of approximately \$26,000 and \$28,000 in 2022 and 2021, respectively. The distributions are considered donor restricted until expended for scholarships.

### 10. Deferred Compensation

The Hospital has established a deferred compensation plan that permits management and highly compensated employees to defer portions of their compensation based on Internal Revenue Service guidelines. The Hospital has recorded \$3,665,245 and \$4,034,969 at April 30, 2022 and 2021, respectively, to reflect its liability under this plan. The Hospital has a corresponding asset of \$3,665,245 and \$4,034,969 (assets consist entirely of mutual funds) at April 30, 2022 and 2021, respectively. Under the plan, all gains and losses in related investments increase or decrease the deferred compensation liability and corresponding asset.

### 11. Retirement Plan

The Hospital has an Employee Savings Retirement Plan (Plan) under Section 403(b) of the Code. The Plan allows employees to defer certain amounts into the Plan and also provides for employer matching contributions into the Plan on behalf of an employee who has reached age 21 and completed two (2) years of eligible service (1,000 hours worked in each of those years). The Hospital matches employee contributions of 1% - 4% of eligible earnings at 1.25% - 4.25%, respectively, and employee contributions in excess of 4% are matched at 4.25%. All eligible employees receiving the employer match are 100% vested. Pension expense was \$675,070 and \$601,474 for 2022 and 2021, respectively.

### 12. Concentrations

#### 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 was as follows:

	<u>2022</u>	<u>2021</u>
Medicare	19%	15%
MaineCare	8	4
Anthem	12	9
Other third party payors	40	31
Patients	<u>21</u>	<u>41</u>
	<u>100%</u>	<u>100%</u>

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 12. Concentrations (Continued)

#### Labor Force

The Hospital's unionized labor workforce are members of the National Nurses Organizing Committee and National Nurses United Local Unit #982. It is approximately 19% of the Hospital's work force. The current union contract is in effect through April 30, 2026.

### 13. Contingencies

The Hospital insures its medical malpractice risks on a claims made basis. At April 30, 2022 and 2021, there were no known malpractice claims outstanding which, in the opinion of management, will be settled for amounts in excess of insurance coverage nor are there any unasserted claims or incidents which require loss accrual. The Hospital intends to renew coverage on a claims made basis and anticipates that such coverage will be available.

In accordance with ASU No. 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, the Hospital recorded a liability of \$1,819,000 and \$1,349,000 related to potential exposure arising from professional liability losses at April 30, 2022 and 2021, respectively. The Hospital also recorded a receivable of \$1,819,000 and \$1,349,000 at April 30, 2022 and 2021, respectively, related to estimated recoveries under insurance coverage for recoveries of the potential losses. In addition to the foregoing, at April 30, 2022 and 2021, the Hospital recorded an estimated liability of potentially incurred but not reported claims of approximately \$656,000 in both years.

#### Self-Insurance Program

The Hospital self-insures its employee health benefits and has estimated and recorded amounts to meet its expected obligations under the program. Total expense for health benefits was \$7,359,261 and \$5,932,555 in 2022 and 2021, respectively. The Hospital provided services totaling \$5,163,816 and \$5,159,956 in 2022 and 2021, respectively, which represents services rendered for Hospital employees for which the Hospital recorded revenue. Stop loss insurance coverage is in effect which mitigates the Hospital's exposure to loss on an individual and aggregate basis.

The Hospital also participates in a self-insured workers' compensation insurance plan through an industry cooperative. Current funding levels by the Hospital and other participants in the cooperative are expected to be adequate to meet future claims. Excess insurance has been purchased to mitigate the cooperative's exposure to loss on large aggregate claims over a certain level.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 14. Operating Leases

The Hospital leases medical buildings and equipment under operating leases with varying terms and expiration dates. Rent expense, under these leases, for the years ended April 30, 2022 and 2021 was \$589,165 and \$1,123,828, respectively. Future minimum payments under the fixed terms of these operating leases are as follows:

2023	\$ 548,393
2024	388,942
2025	249,793
2026	<u>105,330</u>
	<u>\$1,292,458</u>

### 15. Volunteer Services

Total volunteer service hours provided annually to the Hospital were approximately 2,230 and 2,450 in 2022 and 2021, respectively. The volunteers provide various nonspecialized services to the Hospital and BBRV, none of which have been recognized as revenue or expense in the consolidated statements of operations.

### 16. Functional Expenses

The Organization provides general health services to residents within its geographic location. Expenses related to providing these services are as follows at April 30:

	<u>Healthcare</u>	<u>General and Administrative</u>	<u>Total</u>
<u>2022</u>			
Salaries and wages	\$37,467,115	\$10,123,511	\$47,590,626
Supplies	17,598,119	7,240,399	24,838,518
Healthcare provider tax	—	1,223,123	1,223,123
Depreciation and amortization	1,431,595	483,710	1,915,305
Interest	160,276	54,154	214,430
Cottages and inn expenses	<u>5,338,388</u>	<u>—</u>	<u>5,338,388</u>
	<u>\$61,995,493</u>	<u>\$19,124,897</u>	<u>\$81,120,390</u>

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 16. Functional Expenses (Continued)

	<u>Healthcare</u>	<u>General and Administrative</u>	<u>Total</u>
<u>2021</u>			
Salaries and wages	\$35,446,478	\$ 8,604,964	\$44,051,442
Supplies	16,536,333	4,534,442	21,070,775
Healthcare provider tax	—	1,124,112	1,124,112
Depreciation and amortization	1,570,169	427,433	1,997,602
Interest	261,381	69,930	331,311
Cottages and inn expenses	<u>5,031,964</u>	<u>—</u>	<u>5,031,964</u>
	<u>\$58,846,325</u>	<u>\$14,760,881</u>	<u>\$73,607,206</u>

The consolidated financial statements report certain expense categories that are attributable to more than one healthcare service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function are allocated to a functional region based on a square-footage or units-of-service basis.

### 17. Fair Value Measurements

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.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 17. Fair Value Measurements (Continued)

Assets and liabilities measured at fair value on a recurring basis are summarized below. Fair values were primarily determined using the market approach.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2022</u>				
Cash and cash equivalents	\$ 4,592,321	\$ —	\$ —	\$ 4,592,321
Exchange traded funds	413,813	—	—	413,813
Mutual funds	9,722,510	—	—	9,722,510
Certificates of deposit	—	301,324	—	301,324
Investments to fund deferred compensation and related liability (mutual funds)	<u>3,665,245</u>	<u>—</u>	<u>—</u>	<u>3,665,245</u>
	<u>\$18,393,889</u>	<u>\$301,324</u>	<u>\$ —</u>	18,695,213
Beneficial interest measured at net asset value: Perpetual trusts				<u>1,849,307</u>
				<u>\$20,544,520</u>
<u>2021</u>				
Cash and cash equivalents	\$ 2,034,525	\$ —	\$ —	\$ 2,034,525
Exchange traded funds	244,628	—	—	244,628
Mutual funds	9,297,782	—	—	9,297,782
Certificates of deposit	—	257,305	—	257,305
Corporate bonds	—	155,384	—	155,384
Investments to fund deferred compensation and related liability (mutual funds)	<u>4,034,969</u>	<u>—</u>	<u>—</u>	<u>4,034,969</u>
	<u>\$15,611,904</u>	<u>\$412,689</u>	<u>\$ —</u>	16,024,593
Beneficial interest measured at net asset value: Perpetual trusts				<u>2,019,057</u>
				<u>\$18,043,650</u>



# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2022 and 2021

### 18. Liquidity and Availability

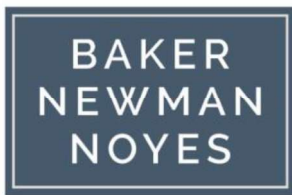
Financial assets available for general expenditure within one year of the balance sheet date consist of the following at April 30, 2022:

Cash and cash equivalents	\$17,457,412
Accounts receivable	10,857,883
Board designated investments	<u>11,604,318</u>
	39,919,613
Less Medicare advance funds payable	<u>(2,386,518)</u>
	<u>\$37,533,095</u>

The Organization regularly monitors liquidity required to meet operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, investments, and lines of credit. See Note 8 for information about the Organization's lines of credit.

The Organization's governing Board has designated a portion of unrestricted resources for future purposes. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the Board. Accordingly, these assets have been included in the quantitative information above.

The Organization has other investments restricted by donors or for debt service. These investments, which are more fully described in Notes 4 and 5, are not available for general expenditure within the next year and are not reflected in the amounts above.



**INDEPENDENT AUDITORS' REPORT  
ON ADDITIONAL INFORMATION**

Board of Trustees  
Mount Desert Island Hospital and Subsidiaries

We have audited the consolidated financial statements of Mount Desert Island Hospital and Subsidiaries as of and for the years ended April 30, 2022 and 2021, and have issued our report thereon, which contains an unmodified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis rather than to present the financial position, results of operations and cash flows of the individual entities and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Baker Newman + Noyes LLC*

Portland, Maine  
August 17, 2022

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

**CONSOLIDATING BALANCE SHEETS**

April 30, 2022 and 2021

<u>ASSETS</u>								
2022					2021			
	Mount Desert Island Hospital	Consolidated Birch Bay Retirement Village	Elimi- nations	Total	Mount Desert Island Hospital	Consolidated Birch Bay Retirement Village	Elimi- nations	Total
Current assets:								
Cash and cash equivalents	\$16,355,072	\$ 1,102,340	\$ —	\$17,457,412	\$19,540,515	\$ 767,903	\$ —	\$20,308,418
Accounts receivable	10,742,207	115,676	—	10,857,883	8,668,559	96,772	—	8,765,331
Due from Birch Bay Village Association	76,106	129,383	—	205,489	—	134,272	—	134,272
Inventories	554,048	—	—	554,048	510,114	—	—	510,114
Prepaid expenses and other current assets	802,189	29,322	—	831,511	639,959	21,337	—	661,296
Current portion of pledges receivable	1,210,338	—	—	1,210,338	625,054	—	—	625,054
Trustee held funds	<u>303,238</u>	<u>454,100</u>	<u>—</u>	<u>757,338</u>	<u>553,604</u>	<u>451,267</u>	<u>—</u>	<u>1,004,871</u>
Total current assets	30,043,198	1,830,821	—	31,874,019	30,537,805	1,471,551	—	32,009,356
Assets limited as to use or donor restricted:								
Board-designated funds	11,604,318	—	—	11,604,318	9,239,943	—	—	9,239,943
Trustee held funds, net of current portion	—	—	—	—	6,183,792	—	—	6,183,792
Donor-restricted funds	<u>3,393,064</u>	<u>32,586</u>	<u>—</u>	<u>3,425,650</u>	<u>2,689,758</u>	<u>59,923</u>	<u>—</u>	<u>2,749,681</u>
Total investments	14,997,382	32,586	—	15,029,968	18,113,493	59,923	—	18,173,416
Pledges receivable, net of current portion	2,464,268	—	—	2,464,268	664,520	—	—	664,520
Beneficial interest in perpetual trusts	<u>1,849,307</u>	<u>—</u>	<u>—</u>	<u>1,849,307</u>	<u>2,019,057</u>	<u>—</u>	<u>—</u>	<u>2,019,057</u>
Total assets limited as to use or donor restricted	19,310,957	32,586	—	19,343,543	20,797,070	59,923	—	20,856,993
Due from affiliates	1,573,677	—	(1,573,677)	—	1,933,468	399,807	(2,333,275)	—
Property and equipment, net	27,433,095	4,893,800	—	32,326,895	23,659,918	5,259,282	—	28,919,200
Other assets:								
Resident priority and construction deposits	—	347,650	—	347,650	—	277,826	—	277,826
Investments to fund deferred compensation	3,665,245	—	—	3,665,245	4,034,969	—	—	4,034,969
Other assets	<u>2,274,453</u>	<u>137,200</u>	<u>—</u>	<u>2,411,653</u>	<u>1,686,711</u>	<u>130,000</u>	<u>—</u>	<u>1,816,711</u>
Total other assets	<u>5,939,698</u>	<u>484,850</u>	<u>—</u>	<u>6,424,548</u>	<u>5,721,680</u>	<u>407,826</u>	<u>—</u>	<u>6,129,506</u>
Total assets	<u>\$84,300,625</u>	<u>\$ 7,242,057</u>	<u>\$ (1,573,677)</u>	<u>\$89,969,005</u>	<u>\$82,649,941</u>	<u>\$ 7,598,389</u>	<u>\$ (2,333,275)</u>	<u>\$87,915,055</u>

LIABILITIES AND NET ASSETS (DEFICIT)

	2022				2021			
	Mount Desert Island Hospital	Consolidated Birch Bay Retirement Village	Elimi- nations	Total	Mount Desert Island Hospital	Consolidated Birch Bay Retirement Village	Elimi- nations	Total
Current liabilities:								
Accounts payable and accrued expenses	\$ 3,333,300	\$ 311,118	\$ —	\$ 3,644,418	\$ 4,548,404	\$ 239,541	\$ —	\$ 4,787,945
Accrued payroll and benefit related liabilities	5,526,525	314,825	—	5,841,350	4,643,559	266,380	—	4,909,939
Estimated third-party payor settlements	7,407,565	—	—	7,407,565	8,491,036	—	—	8,491,036
Deferred revenue	—	—	—	—	5,251,811	102,136	—	5,353,947
Current portion of long-term obligations	<u>848,215</u>	<u>445,000</u>	<u>—</u>	<u>1,293,215</u>	<u>1,403,859</u>	<u>437,417</u>	<u>—</u>	<u>1,841,276</u>
Total current liabilities	17,115,605	1,070,943	—	18,186,548	24,338,669	1,045,474	—	25,384,143
Due to affiliates	—	1,573,677	(1,573,677)	—	399,807	1,933,468	(2,333,275)	—
Resident priority and construction deposits	—	347,650	—	347,650	—	277,826	—	277,826
Long-term obligations, less current portion	8,863,445	4,961,760	—	13,825,205	12,372,942	5,471,676	—	17,844,618
Deferred compensation	3,665,245	—	—	3,665,245	4,034,969	—	—	4,034,969
Other long-term liabilities	<u>2,475,376</u>	<u>—</u>	<u>—</u>	<u>2,475,376</u>	<u>2,004,963</u>	<u>—</u>	<u>—</u>	<u>2,004,963</u>
Total liabilities	32,119,671	7,954,030	(1,573,677)	38,500,024	43,151,350	8,728,444	(2,333,275)	49,546,519
Net assets (deficit):								
Without donor restrictions	43,263,977	(744,559)	—	42,519,418	33,500,202	(1,189,978)	—	32,310,224
With donor restrictions	<u>8,916,977</u>	<u>32,586</u>	<u>—</u>	<u>8,949,563</u>	<u>5,998,389</u>	<u>59,923</u>	<u>—</u>	<u>6,058,312</u>
Total net assets (deficit)	<u>52,180,954</u>	<u>(711,973)</u>	<u>—</u>	<u>51,468,981</u>	<u>39,498,591</u>	<u>(1,130,055)</u>	<u>—</u>	<u>38,368,536</u>
Total liabilities and net assets (deficit)	<u>\$84,300,625</u>	<u>\$ 7,242,057</u>	<u>\$ (1,573,677)</u>	<u>\$89,969,005</u>	<u>\$82,649,941</u>	<u>\$ 7,598,389</u>	<u>\$ (2,333,275)</u>	<u>\$87,915,055</u>

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## CONSOLIDATING STATEMENTS OF OPERATIONS

Years Ended April 30, 2022 and 2021

	2022				2021			
	Mount Desert Island Hospital	Consolidated Birch Bay Retirement Village	Elimi- nations	Total	Mount Desert Island Hospital	Consolidated Birch Bay Retirement Village	Elimi- nations	Total
Revenues without donor restrictions, gains and other support:								
Patient service revenues	\$73,598,360	\$ —	\$ —	\$73,598,360	\$63,726,125	\$ —	\$(333,182)	\$63,392,943
Resident revenue	—	5,103,708	—	5,103,708	—	5,241,260	—	5,241,260
Commission revenue	—	35,200	—	35,200	—	82,320	—	82,320
Other revenue	3,952,190	405,344	(76,320)	4,281,214	4,115,271	311,382	(76,320)	4,350,333
CARES Act relief funding	5,251,811	188,093	—	5,439,904	6,956,300	595,200	—	7,551,500
Gifts and bequests	1,221,707	—	—	1,221,707	1,504,690	—	—	1,504,690
Net assets released from restrictions used for operations	<u>717,533</u>	<u>47,675</u>	<u>—</u>	<u>765,208</u>	<u>582,446</u>	<u>38,248</u>	<u>—</u>	<u>620,694</u>
Total revenues without donor restrictions, gains and other support	84,741,601	5,780,020	(76,320)	90,445,301	76,884,832	6,268,410	(409,502)	82,743,740
Expenses:								
Salaries and employee benefits	47,590,626	3,634,845	—	51,225,471	44,076,755	3,147,972	(25,313)	47,199,414
Supplies and other expenses	24,914,838	1,074,218	(76,320)	25,912,736	21,454,964	1,236,743	(384,189)	22,307,518
Health care provider tax	1,223,123	—	—	1,223,123	1,124,112	—	—	1,124,112
Depreciation and amortization	1,915,305	374,772	—	2,290,077	1,997,602	391,370	—	2,388,972
Interest	<u>214,430</u>	<u>254,553</u>	<u>—</u>	<u>468,983</u>	<u>331,311</u>	<u>255,879</u>	<u>—</u>	<u>587,190</u>
Total expenses	<u>75,858,322</u>	<u>5,338,388</u>	<u>(76,320)</u>	<u>81,120,390</u>	<u>68,984,744</u>	<u>5,031,964</u>	<u>(409,502)</u>	<u>73,607,206</u>
Operating income	8,883,279	441,632	—	9,324,911	7,900,088	1,236,446	—	9,136,534
Other income (loss):								
Interest income	133,083	3,720	—	136,803	156,555	—	—	156,555
Recognized (loss) gain in fair value of investments	(2,164,250)	—	—	(2,164,250)	997,857	—	—	997,857
Gain on sale of property and equipment	2,551,398	—	—	2,551,398	6,963	—	—	6,963
Other miscellaneous (expense) income	(115,396)	67	—	(115,329)	(153,820)	77	—	(153,743)
Gain on refinance of long-term obligations	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>53,565</u>	<u>—</u>	<u>53,565</u>
Total other income (loss)	<u>404,835</u>	<u>3,787</u>	<u>—</u>	<u>408,622</u>	<u>1,007,555</u>	<u>53,642</u>	<u>—</u>	<u>1,061,197</u>
Excess of revenues, gains and other support over expenses	9,288,114	445,419	—	9,733,533	8,907,643	1,290,088	—	10,197,731
Net assets released for purchase of property and equipment	<u>475,661</u>	<u>—</u>	<u>—</u>	<u>475,661</u>	<u>176,388</u>	<u>18,547</u>	<u>—</u>	<u>194,935</u>
Change in net assets without donor restrictions	\$ <u>9,763,775</u>	\$ <u>445,419</u>	\$ <u>—</u>	\$ <u>10,209,194</u>	\$ <u>9,084,031</u>	\$ <u>1,308,635</u>	\$ <u>—</u>	\$ <u>10,392,666</u>

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENTS OF CHANGES IN NET ASSETS (DEFICIT)**

Years Ended April 30, 2022 and 2021

	2022				2021			
	Mount Desert Island Hospital	Consolidated Birch Bay Retirement Village	Elimi- nations	Total	Mount Desert Island Hospital	Consolidated Birch Bay Retirement Village	Elimi- nations	Total
Net assets without donor restrictions:								
Excess of revenues, gains and other support over expenses	\$ 9,288,114	\$ 445,419	\$ —	\$ 9,733,533	\$ 8,907,643	\$ 1,290,088	\$ —	\$10,197,731
Net assets released from restrictions used for purchase of property and equipment	<u>475,661</u>	<u>—</u>	<u>—</u>	<u>475,661</u>	<u>176,388</u>	<u>18,547</u>	<u>—</u>	<u>194,935</u>
Change in net assets without donor restrictions	9,763,775	445,419	—	10,209,194	9,084,031	1,308,635	—	10,392,666
Net assets with donor restrictions:								
Restricted contributions	4,281,532	20,338	—	4,301,870	2,405,164	68,012	—	2,473,176
Net assets released from restrictions	(1,193,194)	(47,675)	—	(1,240,869)	(758,834)	(56,795)	—	(815,629)
Change in value of beneficial interest in perpetual trust	<u>(169,750)</u>	<u>—</u>	<u>—</u>	<u>(169,750)</u>	<u>379,826</u>	<u>—</u>	<u>—</u>	<u>379,826</u>
Change in net assets with donor restrictions	<u>2,918,588</u>	<u>(27,337)</u>	<u>—</u>	<u>2,891,251</u>	<u>2,026,156</u>	<u>11,217</u>	<u>—</u>	<u>2,037,373</u>
Change in net assets	12,682,363	418,082	—	13,100,445	11,110,187	1,319,852	—	12,430,039
Net assets (deficit), beginning of year	<u>39,498,591</u>	<u>(1,130,055)</u>	<u>—</u>	<u>38,368,536</u>	<u>28,388,404</u>	<u>(2,449,907)</u>	<u>—</u>	<u>25,938,497</u>
Net assets (deficit), end of year	<u>\$52,180,954</u>	<u>\$ (711,973)</u>	<u>\$ —</u>	<u>\$51,468,981</u>	<u>\$39,498,591</u>	<u>\$ (1,130,055)</u>	<u>\$ —</u>	<u>\$38,368,536</u>

# BIRCH BAY RETIREMENT VILLAGE AND SUBSIDIARY

## CONSOLIDATING BALANCE SHEETS

April 30, 2022 and 2021

	<u>ASSETS</u>					
	<u>2022</u>			<u>2021</u>		
	<u>Birch Bay Retirement Village</u>	<u>Mount Desert Management Company</u>	<u>Total</u>	<u>Birch Bay Retirement Village</u>	<u>Mount Desert Management Company</u>	<u>Total</u>
Current assets:						
Cash and cash equivalents	\$ 179,474	922,866	\$ 1,102,340	\$ 277,124	\$490,779	\$ 767,903
Accounts receivable	115,676	—	115,676	96,772	—	96,772
Due from Birch Bay Village Association	128,383	1,000	129,383	134,272	—	134,272
Prepaid expenses and other current assets	29,322	—	29,322	21,337	—	21,337
Trustee held funds	<u>454,100</u>	<u>—</u>	<u>454,100</u>	<u>451,267</u>	<u>—</u>	<u>451,267</u>
Total current assets	906,955	923,866	1,830,821	980,772	490,779	1,471,551
Assets limited as to use or donor restricted:						
Donor-restricted funds	32,586	—	32,586	59,923	—	59,923
Due from affiliates	1,700	(1,700)	—	—	399,807	399,807
Property and equipment, net	4,893,800	—	4,893,800	5,259,282	—	5,259,282
Other assets:						
Resident priority and construction deposits	347,650	—	347,650	277,826	—	277,826
Other assets	<u>137,200</u>	<u>—</u>	<u>137,200</u>	<u>130,000</u>	<u>—</u>	<u>130,000</u>
Total other assets	<u>484,850</u>	<u>—</u>	<u>484,850</u>	<u>407,826</u>	<u>—</u>	<u>407,826</u>
Total assets	<u>\$ 6,319,891</u>	<u>\$922,166</u>	<u>\$ 7,242,057</u>	<u>\$ 6,707,803</u>	<u>\$890,586</u>	<u>\$ 7,598,389</u>

LIABILITIES AND NET (DEFICIT) ASSETS

	<u>2022</u>			<u>2021</u>		
	<u>Birch Bay Retirement Village</u>	<u>Mount Desert Management Company</u>	<u>Total</u>	<u>Birch Bay Retirement Village</u>	<u>Mount Desert Management Company</u>	<u>Total</u>
Current liabilities:						
Accounts payable and accrued expenses	\$ 307,418	\$ 3,700	\$ 311,118	\$ 239,541	\$ —	\$ 239,541
Accrued payroll and benefit related liabilities	314,825	—	314,825	266,380	—	266,380
Deferred revenue	—	—	—	102,136	—	102,136
Current portion of long-term obligations	<u>445,000</u>	<u>—</u>	<u>445,000</u>	<u>437,417</u>	<u>—</u>	<u>437,417</u>
Total current liabilities	1,067,243	3,700	1,070,943	1,045,474	—	1,045,474
Due to affiliates	1,573,677	—	1,573,677	1,933,468	—	1,933,468
Resident priority and construction deposits	298,650	49,000	347,650	233,826	44,000	277,826
Long-term obligations, less current portion	<u>4,961,760</u>	<u>—</u>	<u>4,961,760</u>	<u>5,471,676</u>	<u>—</u>	<u>5,471,676</u>
Total liabilities	7,901,330	52,700	7,954,030	8,684,444	44,000	8,728,444
Net (deficit) assets:						
Without donor restrictions	(1,614,025)	869,466	(744,559)	(2,036,564)	846,586	(1,189,978)
With donor restrictions	<u>32,586</u>	<u>—</u>	<u>32,586</u>	<u>59,923</u>	<u>—</u>	<u>59,923</u>
Total net (deficit) assets	<u>(1,581,439)</u>	<u>869,466</u>	<u>(711,973)</u>	<u>(1,976,641)</u>	<u>846,586</u>	<u>(1,130,055)</u>
Total liabilities and net (deficit) assets	\$ <u>6,319,891</u>	\$ <u>922,166</u>	\$ <u>7,242,057</u>	\$ <u>6,707,803</u>	\$ <u>890,586</u>	\$ <u>7,598,389</u>



# BIRCH BAY RETIREMENT VILLAGE AND SUBSIDIARY

## CONSOLIDATING STATEMENTS OF OPERATIONS

Years Ended April 30, 2022 and 2021

	2022			2021		
	Birch Bay Retirement Village	Mount Desert Management Company	Total	Birch Bay Retirement Village	Mount Desert Management Company	Total
Revenues without donor restrictions, gains and other support:						
Resident revenue	\$ 5,103,708	\$ —	\$ 5,103,708	\$ 5,241,260	\$ —	\$ 5,241,260
Commission revenue	—	35,200	35,200	—	82,320	82,320
Other revenue	405,344	—	405,344	311,382	—	311,382
CARES Act relief funding	188,093	—	188,093	595,200	—	595,200
Net assets released from restrictions used for operations	<u>47,675</u>	<u>—</u>	<u>47,675</u>	<u>38,248</u>	<u>—</u>	<u>38,248</u>
Total revenues without donor restrictions, gains and other support	5,744,820	35,200	5,780,020	6,186,090	82,320	6,268,410
Expenses:						
Salaries and employee benefits	3,634,845	—	3,634,845	3,147,972	—	3,147,972
Supplies and other expenses	1,061,898	12,320	1,074,218	1,225,638	11,105	1,236,743
Depreciation and amortization	374,772	—	374,772	391,370	—	391,370
Interest	<u>254,553</u>	<u>—</u>	<u>254,553</u>	<u>255,879</u>	<u>—</u>	<u>255,879</u>
Total expenses	<u>5,326,068</u>	<u>12,320</u>	<u>5,338,388</u>	<u>5,020,859</u>	<u>11,105</u>	<u>5,031,964</u>
Operating income	418,752	22,880	441,632	1,165,231	71,215	1,236,446
Other income (loss):						
Interest income	3,720	—	3,720	—	—	—
Other miscellaneous (expense) income	67	—	67	77	—	77
Gain on extinguishment of long-term debt	<u>—</u>	<u>—</u>	<u>—</u>	<u>53,565</u>	<u>—</u>	<u>53,565</u>
Excess of revenues, gains and other support over expenses	<u>\$ 422,539</u>	<u>\$ 22,880</u>	<u>\$ 445,419</u>	<u>\$ 1,218,873</u>	<u>\$ 71,215</u>	<u>\$ 1,290,088</u>