

Form **990**

# Return of Organization Exempt From Income Tax

OMB No. 1545-0047

# 2023

Department of the Treasury  
Internal Revenue Service

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.

Open to Public Inspection

**A** For the **2023** calendar year, or tax year beginning **MAY 1, 2023** and ending **APR 30, 2024**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>Mount Desert Island Hospital</b>		<b>D</b> Employer identification number <b>01-0211797</b>
	Doing business as		<b>E</b> Telephone number <b>207-288-5081</b>
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	<b>G</b> Gross receipts \$ <b>119,999,417.</b>
	City or town, state or province, country, and ZIP or foreign postal code <b>Bar Harbor, ME 04609-0008</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>F</b> Name and address of principal officer: <b>Christina Maguire same as C above</b>		<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>19</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>16</b>
	<b>5</b> Total number of individuals employed in calendar year 2023 (Part V, line 2a)	<b>5</b>	<b>583</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	<b>51</b>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0.</b>
<b>b</b> Net unrelated business taxable income from Form 990-T, Part I, line 11	<b>7b</b>	<b>0.</b>	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b>	<b>Current Year</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<b>3,895,822.</b>	<b>27,415,834.</b>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>81,771,454.</b>	<b>86,998,119.</b>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>-169,739.</b>	<b>359,193.</b>
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>-22,785.</b>	<b>-103,591.</b>
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>85,474,752.</b>	<b>114,669,555.</b>
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	<b>19,000.</b>	<b>37,500.</b>
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>0.</b>	<b>0.</b>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	<b>50,706,849.</b>	<b>51,760,350.</b>
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25)	<b>0.</b>	<b>0.</b>
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>812,225.</b>	
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>37,713,376.</b>	<b>39,406,720.</b>
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<b>88,439,225.</b>	<b>91,204,570.</b>	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	<b>-2,964,473.</b>	<b>23,464,985.</b>
	<b>21</b> Total liabilities (Part X, line 26)	<b>Beginning of Current Year</b>	<b>End of Year</b>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<b>80,033,646.</b>	<b>106,023,085.</b>
		<b>30,469,070.</b>	<b>33,702,543.</b>
		<b>49,564,576.</b>	<b>72,320,542.</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>	<i>Michelle Smith</i> Signature of officer	3.5.2025 Date			
	<b>Michelle Smith, Treasurer/CFO</b> Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>Connor Smart</b>	Preparer's signature <i>Connor Smart</i>	Date <b>03/04/25</b>	Check if self-employed <input type="checkbox"/>	PTIN <b>P02285543</b>
	Firm's name <b>Baker Newman &amp; Noyes</b>	Firm's EIN <b>01-0494526</b>	Firm's address <b>P.O. Box 507 Portland, ME 04112</b>	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 [X] No
If "Yes," describe these new services on Schedule O.

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

4 Describe the 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 \$ 66,951,382. including grants of \$ 37,500. ) (Revenue \$ 86,998,119. )
In fiscal year 2024, Mount Desert Island (MDI) Hospital provided \$12,743,863 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 \$5,264,813. 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 66,951,382.

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Yes, No. Rows include questions 1 through 21 regarding organizational requirements, such as political activities, lobbying, and financial reporting.

**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	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	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	X	
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		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?		X
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
<b>25a 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		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		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		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		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		X
<b>b</b> A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV		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		X
<b>29</b> Did the organization receive more than \$25,000 in noncash contributions? If "Yes," complete Schedule M	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		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		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		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		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	X	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?	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	X	
<b>36 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		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		X
<b>38</b> Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? <b>Note:</b> All Form 990 filers are required to complete Schedule O	X	

**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>b</b> Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable		
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	

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

Table with columns for question number, question text, and Yes/No columns. Includes rows for employee counts (2a), unrelated business income (3a), foreign accounts (4a), prohibited tax shelter transactions (5a-5c), annual gross receipts (6a-6b), deductible contributions (7a-7h), sponsoring organizations (8-9), section 501(c)(7) organizations (10), section 501(c)(12) organizations (11), section 4947(a)(1) non-exempt charitable trusts (12a-12b), section 501(c)(29) qualified nonprofit health insurance issuers (13a-13c), indoor tanning services (14a-14b), section 4960 tax (15), section 4968 excise tax (16), and section 501(c)(21) organizations (17).

**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 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>1a</b> 19		
<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?		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?		X
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
<b>6</b>	Did the organization have members or stockholders?		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?		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?		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?	X	
<b>b</b>	Each committee with authority to act on behalf of the governing body?	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		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?		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?	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	X	
<b>b</b>	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	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	X	
<b>12c</b>		X	
<b>13</b>	Did the organization have a written whistleblower policy?	X	
<b>14</b>	Did the organization have a written document retention and destruction policy?	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	X	
<b>b</b>	Other officers or key employees of the organization	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?		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**

<b>17</b>	List the states with which a copy of this Form 990 is required to be filed	None
<b>18</b>	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. <input checked="" type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain on Schedule O)	
<b>19</b>	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.	
<b>20</b>	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, box 6 of 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) Stuart Davidson, MD Physician	40.00 0.00					X	615,924.	0.	42,621.	
(2) Charles Hendricks, MD Physician	40.00 0.00					X	577,208.	0.	24,087.	
(3) Joseph Dougherty, MD Physician	40.00 0.00					X	421,435.	0.	33,930.	
(4) Christina Maguire President & CEO	41.00 1.00	X		X			385,636.	0.	26,301.	
(5) David Sugerman, MD Physician	40.00 0.00					X	345,365.	0.	49,328.	
(6) Katherine Gassman, MD Physician	40.00 0.00					X	374,368.	0.	14,686.	
(7) Peter Witham, MD Trustee/Physician	41.00 0.00	X					226,958.	0.	41,081.	
(8) Michelle Smith Vice President/Treasurer & CFO	41.00 1.00			X			184,885.	0.	45,768.	
(9) Julian Kuffler, MD Trustee/Physician	41.00 0.00	X					173,993.	0.	41,099.	
(10) Morgan Mackenzie Clerk/Secretary	41.00 0.00			X			70,506.	0.	16,653.	
(11) Enoch Albert Trustee	1.00 1.00	X					0.	0.	0.	
(12) Edward Benz, MD Trustee	1.00 0.00	X					0.	0.	0.	
(13) Stewart Brecher Trustee	1.00 0.00	X					0.	0.	0.	
(14) James R. Bright Trustee (end 8/2023)	1.00 0.00	X					0.	0.	0.	
(15) Sarah Fina Trustee	1.00 0.00	X					0.	0.	0.	
(16) Elsie Flemings Trustee	1.00 0.00	X					0.	0.	0.	
(17) Kathryn Lucchesi, PhD, RPh 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) Charles Manee Hutchins Trustee	1.00 0.00	X						0.	0.	0.
(19) Arthur Martinez Trustee	1.00 0.00	X						0.	0.	0.
(20) Vince Messer, PhD Trustee	1.00 0.00	X						0.	0.	0.
(21) Dean S. Read Trustee	1.00 0.00	X						0.	0.	0.
(22) Ed Samek Trustee	1.00 0.00	X						0.	0.	0.
(23) Louise Soucy, CPA Trustee	1.00 0.00	X						0.	0.	0.
(24) Noelle Wolf Trustee	1.00 0.00	X						0.	0.	0.
(25) Patricia Hand, PhD Chair (end 9/2023); Trustee	1.00 0.00	X		X				0.	0.	0.
(26) Martha Wagner, PhD Trustee; Chair (start 9/2023)	1.00 0.00	X		X				0.	0.	0.
<b>1b Subtotal</b>								3,376,278.	0.	335,554.
<b>c Total from continuation sheets to Part VII, Section A</b>								0.	0.	0.
<b>d Total (add lines 1b and 1c)</b>								3,376,278.	0.	335,554.

**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 101

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

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
Cardinal Health 7000 Cardinal Place, Dublin, OH 43017	Healthcare services	4,201,550.
Cerner Corporation (a/k/a Oracle) 2300 Oracle Way, Austin, TX 78741	Healthcare IT solutions	1,834,194.
Medefis, Inc. 2121 North 117th Avenue, Omaha, NE 68164	Locums staffing	1,638,397.
R1 RCM, Inc., 433 W. Ascension Way, Suite 200, Murray, UT 84123	Management consulting	1,562,673.
E.L. Shea Inc. 23 Church Street, Ellsworth, ME 04605	Construction services	1,355,784.

**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 41

See Part VII, Section A Continuation sheets



**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 (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(27) Madeleine Braun, PhD, MBA 1st Vice Chair	1.00 0.00	X		X				0.	0.	0.
Total to Part VII, Section A, line 1c .....										

**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>	456,300.				
	<b>d</b> Related organizations .....	<b>1d</b>					
	<b>e</b> Government grants (contributions) .....	<b>1e</b>	5,000,000.				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above ...	<b>1f</b>	21,959,534.				
	<b>g</b> Noncash contributions included in lines 1a-1f	<b>1g</b>	\$ 79,622.				
	<b>h Total.</b> Add lines 1a-1f .....		27,415,834.				
<b>Program Service Revenue</b>	<b>2 a</b> Patient services	<b>Business Code</b>					
		621990	85,694,817.	85,694,817.			
	<b>b</b> Pharmacy	621400	895,565.	895,565.			
	<b>c</b> Cafeteria	722514	214,849.	214,849.			
	<b>d</b> Healthcare administration	621400	192,888.	192,888.			
	<b>e</b> _____						
	<b>f</b> All other program service revenue .....						
<b>g Total.</b> Add lines 2a-2f .....		86,998,119.					
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) .....		580,207.			580,207.	
	<b>4</b> Income from investment of tax-exempt bond proceeds						
	<b>5</b> Royalties .....						
	<b>6 a</b> Gross rents .....	<b>6a</b>	(i) Real				
			(ii) Personal				
				14,289.			
	<b>b</b> Less: rental expenses ...	<b>6b</b>	7,767.				
	<b>c</b> Rental income or (loss)	<b>6c</b>	6,522.				
	<b>d</b> Net rental income or (loss) .....		6,522.			6,522.	
	<b>7 a</b> Gross amount from sales of assets other than inventory	<b>7a</b>	(i) Securities				
			(ii) Other				
				4,957,788.			
	<b>b</b> Less: cost or other basis and sales expenses .....	<b>7b</b>	4,955,981.	222,821.			
	<b>c</b> Gain or (loss) .....	<b>7c</b>	1,807.	-222,821.			
<b>d</b> Net gain or (loss) .....		-221,014.			-221,014.		
<b>8 a</b> Gross income from fundraising events (not including \$ 456,300. of contributions reported on line 1c). See Part IV, line 18 .....	<b>8a</b>						
			33,180.				
			143,293.				
<b>b</b> Less: direct expenses .....	<b>8b</b>						
<b>c</b> Net income or (loss) from fundraising events .....		-110,113.			-110,113.		
<b>9 a</b> Gross income from gaming activities. See Part IV, line 19 .....	<b>9a</b>						
<b>b</b> Less: direct expenses .....	<b>9b</b>						
<b>c</b> Net income or (loss) from gaming activities .....							
<b>10 a</b> Gross sales of inventory, less returns and allowances .....	<b>10a</b>						
<b>b</b> Less: cost of goods sold .....	<b>10b</b>						
<b>c</b> Net income or (loss) from sales of inventory .....							
<b>Miscellaneous Revenue</b>	<b>11 a</b> _____	<b>Business Code</b>					
	<b>b</b> _____						
	<b>c</b> _____						
	<b>d</b> All other revenue .....						
	<b>e Total.</b> Add lines 11a-11d .....						
<b>12 Total revenue.</b> See instructions .....		114,669,555.	86,998,119.	0.	255,602.		

**Part IX Statement of Functional Expenses**

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22	37,500.	37,500.		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,212,880.	952,289.	260,591.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	38,120,549.	29,536,561.	8,082,599.	501,389.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	680,059.	533,946.	146,113.	
9 Other employee benefits	9,104,749.	7,148,564.	1,956,185.	
10 Payroll taxes	2,642,113.	2,074,446.	567,667.	
11 Fees for services (nonemployees):				
a Management				
b Legal	223,663.		223,663.	
c Accounting	132,940.		132,940.	
d Lobbying	8,380.		8,380.	
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	54,026.		54,026.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	14,221,868.	8,562,369.	5,495,625.	163,874.
12 Advertising and promotion	123,438.	75,183.	48,255.	
13 Office expenses	1,579,939.	872,790.	560,187.	146,962.
14 Information technology				
15 Royalties				
16 Occupancy	2,113,641.	1,287,365.	826,276.	
17 Travel	250,745.	152,722.	98,023.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	520,860.	317,243.	203,617.	
20 Interest	409,774.	290,723.	119,051.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,820,796.	2,001,276.	819,520.	
23 Insurance	1,166,370.	710,407.	455,963.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a <b>Medical supplies</b>	7,383,983.	4,497,398.	2,886,585.	
b <b>Provision for bad debt</b>	5,881,991.	5,881,991.		
c <b>Hospital provider tax</b>	1,246,296.	1,246,296.		
d <b>Equipment rent./maint.</b>	846,880.	515,813.	331,067.	
e All other expenses	421,130.	256,500.	164,630.	
25 <b>Total functional expenses.</b> Add lines 1 through 24e	91,204,570.	66,951,382.	23,440,963.	812,225.
26 <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

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

				(A)		(B)	
				Beginning of year		End of year	
<b>Assets</b>	<b>1</b>	Cash - non-interest-bearing .....		2,650.	<b>1</b>	2,650.	
	<b>2</b>	Savings and temporary cash investments .....		11,549,974.	<b>2</b>	12,528,572.	
	<b>3</b>	Pledges and grants receivable, net .....		2,595,320.	<b>3</b>	19,443,030.	
	<b>4</b>	Accounts receivable, net .....		15,904,494.	<b>4</b>	15,086,067.	
	<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 .....		530,674.	<b>8</b>	627,030.	
	<b>9</b>	Prepaid expenses and deferred charges .....		656,444.	<b>9</b>	928,730.	
	<b>10a</b>	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b>	74,123,056.			
	<b>b</b>	Less: accumulated depreciation .....	<b>10b</b>	40,383,671.	26,698,856.	<b>10c</b>	33,739,385.
	<b>11</b>	Investments - publicly traded securities .....		16,555,222.	<b>11</b>	19,110,178.	
	<b>12</b>	Investments - other securities. See Part IV, line 11 .....		1,860,117.	<b>12</b>	1,944,756.	
	<b>13</b>	Investments - program-related. See Part IV, line 11 .....		14,922.	<b>13</b>	-6,707.	
	<b>14</b>	Intangible assets .....		513,586.	<b>14</b>	387,238.	
	<b>15</b>	Other assets. See Part IV, line 11 .....		3,151,387.	<b>15</b>	2,232,156.	
<b>16</b>	<b>Total assets.</b> Add lines 1 through 15 (must equal line 33) .....		80,033,646.	<b>16</b>	106,023,085.		
<b>Liabilities</b>	<b>17</b>	Accounts payable and accrued expenses .....		11,528,555.	<b>17</b>	13,550,267.	
	<b>18</b>	Grants payable .....			<b>18</b>		
	<b>19</b>	Deferred revenue .....		3,620.	<b>19</b>	33,750.	
	<b>20</b>	Tax-exempt bond liabilities .....		6,604,626.	<b>20</b>	14,709,239.	
	<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 .....		2,288,586.	<b>23</b>	594,020.	
	<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 .....		10,043,683.	<b>25</b>	4,815,267.	
	<b>26</b>	<b>Total liabilities.</b> Add lines 17 through 25 .....		30,469,070.	<b>26</b>	33,702,543.	
<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 .....		39,806,734.	<b>27</b>	43,106,563.	
	<b>28</b>	Net assets with donor restrictions .....		9,757,842.	<b>28</b>	29,213,979.	
	<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> .....		49,564,576.	<b>32</b>	72,320,542.		
<b>33</b>	<b>Total liabilities and net assets/fund balances</b> .....		80,033,646.	<b>33</b>	106,023,085.		

**Part XI Reconciliation of Net Assets**

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	114,669,555.
2	Total expenses (must equal Part IX, column (A), line 25)	2	91,204,570.
3	Revenue less expenses. Subtract line 2 from line 1	3	23,464,985.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	49,564,576.
5	Net unrealized gains (losses) on investments	5	934,765.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	-1,643,784.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	72,320,542.

**Part XII Financial Statements and Reporting**

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

		Yes	No
1	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.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
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	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F? _____		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____		

Form 990 (2023)

**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

**2023**

**Open to Public  
Inspection**

<b>Name of the organization</b> Mount Desert Island Hospital	<b>Employer identification number</b> 01-0211797
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**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) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(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) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(f) Total
<b>7</b> Amounts from line 4 .....						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources ...						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on ...						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					12	
<b>13 First 5 years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

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

<b>14</b> Public support percentage for 2023 (line 6, column (f), divided by line 11, column (f)) .....	14	%
<b>15</b> Public support percentage from 2022 Schedule A, Part II, line 14 .....	15	%
<b>16a 33 1/3% support test - 2023.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 33 1/3% support test - 2022.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>17a 10% -facts-and-circumstances test - 2023.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 10% -facts-and-circumstances test - 2022.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		<input type="checkbox"/>

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(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) 2019	(b) 2020	(c) 2021	(d) 2022	(e) 2023	(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 2023 (line 8, column (f), divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2022 Schedule A, Part III, line 15 .....	<b>16</b>	%

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

<b>17</b> Investment income percentage for 2023 (line 10c, column (f), divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from 2022 Schedule A, Part III, line 17 .....	<b>18</b>	%

**19a 33 1/3% support tests - 2023.** 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 - 2022.** 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 on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

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

**Part IV Supporting Organizations** (continued)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		
<b>b</b> A family member of a person described on line 11a above?		
<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>11a</b>		
<b>11b</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>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>1</b>		
<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>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>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>1</b>		
<b>2</b>		
<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.		Yes	No
<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>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>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>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>2a</b>			
<b>2b</b>			
<b>3a</b>			
<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 (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 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).		

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

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	<b>Total annual distributions.</b> Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2023 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2023	(iii) Distributable Amount for 2023
1	Distributable amount for 2023 from Section C, line 6		
2	Underdistributions, if any, for years prior to 2023 (reasonable cause required - explain in Part VI). See instructions.		
3	Excess distributions carryover, if any, to 2023		
a	From 2018		
b	From 2019		
c	From 2020		
d	From 2021		
e	From 2022		
f	<b>Total</b> of lines 3a through 3e		
g	Applied to underdistributions of prior years		
h	Applied to 2023 distributable amount		
i	Carryover from 2018 not applied (see instructions)		
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.		
4	Distributions for 2023 from Section D, line 7: \$		
a	Applied to underdistributions of prior years		
b	Applied to 2023 distributable amount		
c	Remainder. Subtract lines 4a and 4b from line 4.		
5	Remaining underdistributions for years prior to 2023, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.		
6	Remaining underdistributions for 2023. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.		
7	<b>Excess distributions carryover to 2024.</b> Add lines 3j and 4c.		
8	Breakdown of line 7:		
a	Excess from 2019		
b	Excess from 2020		
c	Excess from 2021		
d	Excess from 2022		
e	Excess from 2023		

**Part VI**

**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.)

Multiple horizontal lines for supplemental information.

**Schedule B**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

Attach to Form 990, 990-EZ, or 990-PF.  
Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2023**

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 foundation

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

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

**General Rule**

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

**Special Rules**

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

For Paperwork Reduction Act Notice, see the instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990) (2023)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
<u>1</u>	 <hr/> <hr/> <hr/>	\$ <u>10,025,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>2</u>	 <hr/> <hr/> <hr/>	\$ <u>5,000,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>3</u>	 <hr/> <hr/> <hr/>	\$ <u>4,000,500.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>4</u>	 <hr/> <hr/> <hr/>	\$ <u>3,000,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>5</u>	 <hr/> <hr/> <hr/>	\$ <u>1,500,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>6</u>	 <hr/> <hr/> <hr/>	\$ <u>1,072,500.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	 <hr/> <hr/> <hr/>	\$ <u>1,000,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	 <hr/> <hr/> <hr/>	\$ <u>101,100.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9	 <hr/> <hr/> <hr/>	\$ <u>100,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10	 <hr/> <hr/> <hr/>	\$ <u>100,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11	 <hr/> <hr/> <hr/>	\$ <u>100,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
12	 <hr/> <hr/> <hr/>	\$ <u>100,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
13	<hr/> <hr/> <hr/>	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
14	<hr/> <hr/> <hr/>	\$ 76,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
15	<hr/> <hr/> <hr/>	\$ 57,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
16	<hr/> <hr/> <hr/>	\$ 55,002.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
17	<hr/> <hr/> <hr/>	\$ 52,700.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
18	<hr/> <hr/> <hr/>	\$ 50,137.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
19	 <hr/> <hr/> <hr/>	\$ <u>50,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
20	 <hr/> <hr/> <hr/>	\$ <u>34,569.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
21	 <hr/> <hr/> <hr/>	\$ <u>31,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
22	 <hr/> <hr/> <hr/>	\$ <u>30,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
23	 <hr/> <hr/> <hr/>	\$ <u>30,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
24	 <hr/> <hr/> <hr/>	\$ <u>26,500.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
25	_____ _____ _____	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
26	_____ _____ _____	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
27	_____ _____ _____	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
28	_____ _____ _____	\$ 24,385.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
29	_____ _____ _____	\$ 23,933.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
30	_____ _____ _____	\$ 22,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
31	_____ _____ _____	\$ 21,541.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
32	_____ _____ _____	\$ 21,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
33	_____ _____ _____	\$ 20,100.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
34	_____ _____ _____	\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
35	_____ _____ _____	\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
36	_____ _____ _____	\$ 15,850.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
37	_____ _____ _____	\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
38	_____ _____ _____	\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
39	_____ _____ _____	\$ 14,932.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
40	_____ _____ _____	\$ 12,966.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
41	_____ _____ _____	\$ 12,817.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
42	_____ _____ _____	\$ 11,450.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
43	<hr/> <hr/> <hr/>	\$ 11,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
44	<hr/> <hr/> <hr/>	\$ 10,700.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
45	<hr/> <hr/> <hr/>	\$ 10,250.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
46	<hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
47	<hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
48	<hr/> <hr/> <hr/>	\$ 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
49		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
50		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
51		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
52		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
53		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
54		\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
55	<hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
56	<hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
57	<hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
58	<hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
59	<hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
60	<hr/> <hr/> <hr/>	\$ 8,925.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
61	<hr/> <hr/> <hr/>	\$ <u>7,500.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
62	<hr/> <hr/> <hr/>	\$ <u>7,500.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
63	<hr/> <hr/> <hr/>	\$ <u>7,250.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
64	<hr/> <hr/> <hr/>	\$ <u>6,455.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
65	<hr/> <hr/> <hr/>	\$ <u>6,176.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
66	<hr/> <hr/> <hr/>	\$ <u>6,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
67	<hr/> <hr/> <hr/>	\$ <u>6,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
68	<hr/> <hr/> <hr/>	\$ <u>6,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
69	<hr/> <hr/> <hr/>	\$ <u>6,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
70	<hr/> <hr/> <hr/>	\$ <u>5,700.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
71	<hr/> <hr/> <hr/>	\$ <u>5,400.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
72	<hr/> <hr/> <hr/>	\$ <u>5,200.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
73	<hr/> <hr/> <hr/>	\$ 5,150.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
74	<hr/> <hr/> <hr/>	\$ 5,100.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
75	<hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
76	<hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
77	<hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
78	<hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
79	 <hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
80	 <hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
81	 <hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
82	 <hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
83	 <hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
84	 <hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
85	<hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
86	<hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
87	<hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
88	<hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
89	<hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
90	<hr/> <hr/> <hr/>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
18	Publicly Traded Securities _____ _____ _____	\$ 50,137.	05/17/23
20	Publicly Traded Securities _____ _____ _____	\$ 2,489.	09/06/23
39	Publicly Traded Securities _____ _____ _____	\$ 14,932.	05/18/23
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____

Name of organization  <b>Mount Desert Island Hospital</b>	Employer identification number  <b>01-0211797</b>
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**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

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

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

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

**2023**

Department of the Treasury  
Internal Revenue Service

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

**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 <b>Mount Desert Island Hospital</b>	Employer identification number <b>01-0211797</b>
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**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.

2 Political campaign activity expenditures ..... \$ \_\_\_\_\_

3 Volunteer hours for political campaign activities ..... \_\_\_\_\_

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

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

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

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

4a Was a correction made?  Yes  No

b If "Yes," describe in Part IV.

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

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

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

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

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

5 Enter the names, addresses, and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

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



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

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

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
<b>1a</b> Total lobbying expenditures to influence public opinion (grassroots lobbying) .....														
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying) .....														
<b>c</b> Total lobbying expenditures (add lines 1a and 1b) .....														
<b>d</b> Other exempt purpose expenditures .....														
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d) .....														
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 70%;">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.)

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
<b>a</b> Volunteers?		X	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
<b>c</b> Media advertisements?		X	
<b>d</b> Mailings to members, legislators, or the public?		X	
<b>e</b> Publications, or published or broadcast statements?		X	
<b>f</b> Grants to other organizations for lobbying purposes?	X		8,380.
<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			8,380.
<b>2a</b> Did the activities in line 1 cause the organization to not be 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 expenditures 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, 2024. 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: \$14,663

American Hospital Association - amount available for lobbying: \$4,632

Maine Hospital Association - total dues: \$27,359

Maine Hospital Association - amount available for lobbying: \$3,748

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No. 1545-0047

2023

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.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate values, and yes/no questions about donor property and grant fund usage.

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include purpose of easements, number of easements, and monitoring details.

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.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include reporting requirements for art and historical treasures.

**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 in 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	12,551,589.	12,364,900.	9,847,696.	6,958,392.	6,896,922.
b Contributions	250,000.		3,675,585.	1,000,000.	
c Net investment earnings, gains, and losses	995,464.	206,804.	-1,133,936.	1,904,005.	78,892.
d Grants or scholarships					
e Other expenditures for facilities and programs	1,850,000.				
f Administrative expenses	22,344.	20,115.	24,445.	14,701.	17,422.
g End of year balance	11,924,709.	12,551,589.	12,364,900.	9,847,696.	6,958,392.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment 94.0300 %
  - b Permanent endowment 5.9700 %
  - 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:
- |  | Yes | No |
|--|-----|----|
| (i) Unrelated organizations?   | X   |    |
| (ii) Related organizations?  |     | X  |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? |     |    |
- 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		31,424,941.	20,359,878.	11,065,063.
c Leasehold improvements		44,545.	28,860.	15,685.
d Equipment		30,861,659.	19,994,933.	10,866,726.
e Other		7,783,963.		7,783,963.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, line 10c, column (B))				33,739,385.

**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, line 12, col. (B))		

**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, line 13, col. (B))		

**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, line 15, col. (B))	

**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>3,362,352.</b>
(3) <b>Malpractice insurance obligations</b>	<b>663,961.</b>
(4) <b>Lease obligations</b>	<b>788,954.</b>
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 25, col. (B))	<b>4,815,267.</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...

**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>	107,211,681.
<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>	934,765.
<b>b</b>	Donated services and use of facilities	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.)	<b>2d</b>	92,406.
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>	<b>2e</b>	1,027,171.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>	<b>3</b>	106,184,510.
<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>	54,026.
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>	8,431,019.
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>	<b>4c</b>	8,485,045.
<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>	114,669,555.

**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>	84,455,715.
<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>	7,767.
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>	<b>2e</b>	7,767.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>	<b>3</b>	84,447,948.
<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>	54,026.
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>	6,702,596.
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>	<b>4c</b>	6,756,622.
<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>	91,204,570.

**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 April 30,

**Part XIII** Supplemental Information (continued)

2024, and 2023, 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, 2024.

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

Rental property expenses	7,767.
Change in value of beneficial interest in trust	84,639.
Total to Schedule D, Part XI, Line 2d	92,406.

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

Provision for bad debts	5,881,991.
Fundraising expenses, net against revenues	820,605.
Pledge discount adjustment	1,728,423.
Total to Schedule D, Part XI, Line 4b	8,431,019.

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

Rental property expenses	7,767.
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**Part XIII** Supplemental Information *(continued)*

Part XII, Line 4b - Other Adjustments:

Provision for bad debts	5,881,991.
Fundraising expenses, net against revenues	820,605.
<b>Total to Schedule D, Part XII, Line 4b</b>	<b>6,702,596.</b>

SCHEDULE G (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" on Form 990, Part IV, line 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2023

Open to Public Inspection

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

Part I Fundraising Activities. Complete if the organization answered "Yes" on Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply. a Mail solicitations b Internet and email solicitations c Phone solicitations d In-person solicitations e Solicitation of non-government grants f Solicitation of government grants g Special fundraising events 2 a Did the organization have a written or oral agreement with any individual... b If "Yes," list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements...

Table with 6 columns: (i) Name and address of individual or entity (fundraiser), (ii) Activity, (iii) Did fundraiser have custody or control of contributions?, (iv) Gross receipts from activity, (v) Amount paid to (or retained by) fundraiser listed in col. (i), (vi) Amount paid to (or retained by) organization.

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

**Part II Fundraising Events.** Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
		Isleford Dock Benefit (event type)	Showhouse (event type)	None (total number)	
Revenue	1	414,533.	74,947.		489,480.
	2	388,433.	67,867.		456,300.
	3	26,100.	7,080.		33,180.
Direct Expenses	4				
	5				
	6	20,776.	16,839.		37,615.
	7	45,991.	25,000.		70,991.
	8				
	9	30,442.	4,245.		34,687.
	10	Direct expense summary. Add lines 4 through 9 in column (d)			
11	Net income summary. Subtract line 10 from line 3, column (d)				-110,113.

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

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1				
	2				
Direct Expenses	3				
	4				
	5				
6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7	Direct expense summary. Add lines 2 through 5 in column (d)			
8	Net gaming income summary. Subtract line 7 from line 1, column (d)				

9 Enter the state(s) in which the organization conducts gaming activities: \_\_\_\_\_  
 a Is the organization licensed to conduct gaming activities in each of these states?  Yes  No  
 b If "No," explain: \_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year?  Yes  No  
 b If "Yes," explain: \_\_\_\_\_

- 11 Does the organization conduct gaming activities with nonmembers?  Yes  No
- 12 Is the organization a grantor, beneficiary or trustee of a trust, or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No
- 13 Indicate the percentage of gaming activity conducted in:
 

a The organization's facility	<b>13a</b>	%
b An outside facility	<b>13b</b>	%
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name \_\_\_\_\_

Address \_\_\_\_\_

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?  Yes  No

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

c If "Yes," enter name and address of the third party:

Name \_\_\_\_\_

Address \_\_\_\_\_

16 Gaming manager information:

Name \_\_\_\_\_

Gaming manager compensation \$ \_\_\_\_\_

Description of services provided \_\_\_\_\_

- Director/officer       Employee       Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No

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

**Part IV Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information. See instructions.

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

[Lined area for supplemental information]

**SCHEDULE H  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Hospitals**

Complete if the organization answered "Yes" on Form 990, Part IV, question 20a.  
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

**2023**

Open to Public  
Inspection

Name of the organization <b>Mount Desert Island Hospital</b>	Employer identification number <b>01-0211797</b>
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**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) .....			<b>460,926.</b>		<b>460,926.</b>	<b>.54%</b>
<b>b</b> Medicaid (from Worksheet 3, column a) .....			<b>9,876,106.</b>	<b>8,869,353.</b>	<b>1,006,753.</b>	<b>1.18%</b>
<b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b) .....			<b>18,470,992.</b>	<b>14,236,989.</b>	<b>4,234,003.</b>	<b>4.96%</b>
<b>d Total.</b> Financial Assistance and Means-Tested Government Programs .....			<b>28,808,024.</b>	<b>23,106,342.</b>	<b>5,701,682.</b>	<b>6.68%</b>
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) .....			<b>2,316,216.</b>	<b>171,074.</b>	<b>2,145,142.</b>	<b>2.51%</b>
<b>f</b> Health professions education (from Worksheet 5) .....			<b>555,524.</b>		<b>555,524.</b>	<b>.65%</b>
<b>g</b> Subsidized health services (from Worksheet 6) .....			<b>12,877,180.</b>	<b>8,818,905.</b>	<b>4,058,275.</b>	<b>4.76%</b>
<b>h</b> Research (from Worksheet 7) .....						
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8) .....			<b>38,000.</b>		<b>38,000.</b>	<b>.04%</b>
<b>j Total.</b> Other Benefits .....			<b>15,786,920.</b>	<b>8,989,979.</b>	<b>6,796,941.</b>	<b>7.96%</b>
<b>k Total.</b> Add lines 7d and 7j .....			<b>44,594,944.</b>	<b>32,096,321.</b>	<b>12,498,623.</b>	<b>14.64%</b>

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

332091 12-26-23

Schedule H (Form 990) 2023

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

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

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

**Section A. Bad Debt Expense**

	Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? .....	<input checked="checked" type="checkbox"/>	
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount .....		
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit .....		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.		

**Section B. Medicare**

5 Enter total revenue received from Medicare (including DSH and IME) .....	5	14,236,989.
6 Enter Medicare allowable costs of care relating to payments on line 5 .....	6	18,470,992.
7 Subtract line 6 from line 5. This is the surplus (or shortfall) .....	7	-4,234,003.
8 Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input checked="checked" type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

**Section C. Collection Practices**

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

**Part IV Management Companies and Joint Ventures** (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %

Part V Facility Information

Section A. Hospital Facilities

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

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

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

1 Mount Desert Island Hospital
10 Wayman Lane, P.O. Box 8
Bar Harbor, ME 04509-0008
www.mdihospital.org
37457

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



**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>			
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year? .....	1		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C .....	2		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 .....	3	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility			
b <input checked="" type="checkbox"/> Demographics of the community			
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d <input checked="" type="checkbox"/> How data was obtained			
e <input checked="" type="checkbox"/> The significant health needs of the community			
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs			
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests			
i <input type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)			
j <input type="checkbox"/> Other (describe in Section C)			
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>23</u>			
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted .....	5	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C .....	6a	X	
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C .....	6b	X	
7 Did the hospital facility make its CHNA report widely available to the public? .....	7	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>see Part V, Section C</u>			
b <input checked="" type="checkbox"/> Other website (list url): <u>see Part V, Section C</u>			
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility			
d <input type="checkbox"/> Other (describe in Section C)			
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11 .....	8	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>23</u>			
10 Is the hospital facility's most recently adopted implementation strategy posted on a website? .....	10	X	
a If "Yes," (list url): <u>see Part V, Section C</u>			
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? .....	10b		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.			
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? .....	12a		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax? .....	12b		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$			

**Part V Facility Information** (continued)

**Financial Assistance Policy (FAP)**

Name of hospital facility or letter of facility reporting group: 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>X</b>	
If "Yes," indicate the eligibility criteria explained in the FAP:		
<b>a</b> <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>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>X</b>	
<b>15</b> Explained the method for applying for financial assistance? .....	<b>X</b>	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of their application		
<b>b</b> <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of their 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>X</b>	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>see Part V, 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)		

**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? .....	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:		
<b>a</b> <input type="checkbox"/> Reporting to credit agency(ies)		
<b>b</b> <input type="checkbox"/> Selling an individual's debt to another party		
<b>c</b> <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
<b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process		
<b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)		
<b>f</b> <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? .....		X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
<b>a</b> <input type="checkbox"/> Reporting to credit agency(ies)		
<b>b</b> <input type="checkbox"/> Selling an individual's debt to another party		
<b>c</b> <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
<b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process		
<b>e</b> <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):		
<b>a</b> <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)		
<b>b</b> <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)		
<b>c</b> <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)		
<b>d</b> <input type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)		
<b>e</b> <input type="checkbox"/> Other (describe in Section C)		
<b>f</b> <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? .....	X	
If "No," indicate why:		
<b>a</b> <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
<b>b</b> <input type="checkbox"/> The hospital facility's policy was not in writing		
<b>c</b> <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)		
<b>d</b> <input type="checkbox"/> Other (describe in Section C)		

**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

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

Schedule H (Form 990) 2023

**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 2023 Community Health Needs Assessment (CHNA), covering the fiscal years ending 2024-2026, was conducted by Mount Desert Island Hospital in coordination with Healthy Acadia. In keeping with previous versions, our 2023-2024 CHNA process relied on the nationally-vetted Mobilizing for Action through Planning and Partnerships (MAPP) process and tools developed and published by the National Association of County and City Health Officers (NACCHO). In gathering information to complete this CHNA, the organizations conducted surveys, public discussion forums, and focus groups with community members, institutions, and partners. The organizations also used data analytic tools and census reports to ensure that the CHNA reached a large and representative portion of the community. For additional information, please refer to the supplemental information disclosed on this Form 990, Schedule H, Part VI, Line 2, as well as the full CHNA.

Mount Desert Island Hospital:

Part V, Section B, Line 6a: The 2023 Community Health Needs Assessment (CHNA), covering the fiscal years ending 2024-2026, was conducted by Mount Desert Island Hospital in coordination with Healthy Acadia, a 501(c)(3) non-profit organization dedicated to building healthy communities. However, many other individuals and organizations contributed to the 2024-2026 needs assessment, a full list of which can be found on the Hospital's complete CHNA, beginning on page 7.

**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 6b: The 2023 Community Health Needs Assessment (CHNA), covering the fiscal years ending 2024-2026, was conducted by Mount Desert Island Hospital in coordination with Healthy Acadia, a 501(c)(3) non-profit organization dedicated to building healthy communities. However, many other individuals and organizations contributed to the 2024-2026 needs assessment, a full list of which can be found on the Hospital's complete CHNA, beginning on page 7.

Mount Desert Island Hospital:

Part V, Section B, Line 11: The Hospital's 2023 CHNA Action 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. These themes were then later explored and discussed in the Hospital's Initial Implementation Plan which was approved by the Hospital's Board by August 2, 2024.

The primary "Theme Areas" identified in the CHNA and its Action Plan were:

1. Access to Care
2. Aging in Place
3. Basic Needs
4. Community Connected
5. Housing
6. Mental and Behavioral Health

**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.

Through the CHNA and its Action plan, across these six themes, multiple goals and strategies arose that are relevant in all areas and to addressing the significant needs identified in the CHNA.

Goal 1: Improve knowledge of and communication about existing resources and services.

Goal 1 Strategies:

- Connect with local websites and social media platforms such as the local Facebook group Bar Harbor Barter & Swap.
- Conduct public talks and/or community forums.
- Use traditional and social media, including newspapers, newsletters, flyers, television, radio, podcasts, Facebook, Twitter, and Instagram to increase awareness.
- Leverage or create community bulletin boards at locations frequented by many people in regular travels, such as food shops, banks and restaurants, post offices, libraries, schools, banks, laundromats, and gyms.
- Coordinate with 211 to maximize the effectiveness of that tool for finding services in the LSA.
- Promote use of 211 as a resource.
- Explore the "Bundle" smart phone app that Heart of Maine United Way developed for Piscataquis County as a model.

Goal 2: Offer free support to access and enroll in existing services and programs.

Goal 2 Strategies:

- Expand and better coordinate navigator programs.

**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.

- Design programs and recruit volunteers to help people understand and apply for existing programs.

- Coordinate to promote and publicize existing programs and services.

- Engage those outside the health and social services sectors, such as the business community, schools, faith-based organizations, libraries, and first-responders, to help publicize options and where to find help in accessing services.

- Expand online and social media avenues for learning about and accessing services.

Goal 3: Improve coordination of existing services.

Goal 3 Strategies:

- Hold monthly breakfasts or informal meetings for non-profit staff and other interested parties to network, share information, and plan ways of coordinating activities and improving ability to refer people to other options.

- Create systems for a "warm hand-off" between services, both clinical and social.

- Leverage town office staff and connect with town select boards and comprehensive planning efforts to promote LSA-wide ongoing communication and joint planning.

- Explore Washington County's "The Connection Initiative" sponsored by the Community Caring Collaborative

Goal 4: Improve wireless and telecommunication services and expand broadband capacity in ways that will support telehealth, help attract and retain employees, and foster overall economic growth and remote work



**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.

opportunities in the LSA.

**Goal 4 Strategies:**

- Investigate opportunities through Connectivity Maine.
- Engage the business community in solutions.
- Research state, federal, and philanthropic grant opportunities.
- Leverage the services offered by libraries and schools.
- Design systems and options for affordable access for low and limited income residents.
- Collaborate with libraries and other community centers to offer computer literacy programs and trainings.

**Goal 5: Improve transportation options.**

**Goal 5 Strategies:**

- Focus on connectivity and coordination with services and social/community engagement opportunities.
- Promote and publicize existing public transportation services, such as Island Connections, the Island Explorer, and transportation resources through MDIH and insurance designed to access health care.
- Encourage existing transportation resources to collaborate to promote easy access, such as publicity and coordinating their trip schedules.
- Prioritize needs of people without access to a motor vehicle, including older residents, low-income residents, and children.
- Explore creating a "water taxi" program to the unbridged islands as a lower cost alternative to the ferries; perhaps identify someone willing to donate a used lobster boat that can be retrofitted for passenger seating as the vehicle.

- Improve pedestrian and bicycle lanes for transportation and physical

**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.

activity options.

- Encourage car-pooling and other alternative modes of transportation.
- Leverage the opening of the new Acadia Gateway Center for proactive work that will increase public transportation, rideshare, and parking options.

Additional information regarding the health need themes, goals, and strategies can be found in the full CHNA and Action 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 another language, and translated copies of our Financial Assistance Policy and Application are available in French and Spanish.

Part V, Section B, Lines 7a, 7b, and 10, Publication of Reports:

The Hospital makes its annual reports and other various resources and publications publicly available on its website. The home page for the

**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.

Hospital's various reports can be found online at:

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

Prior year Community Health Needs Assessments, Implementation Plans, and other benefits reports may also be found on the Hospital's website at the link provided above.

The Hospital's 2020 Implementation Plan can be downloaded directly from the previous link as a Word Document. The Action Plan proposed with the 2024-2026 CHNA can be found within the full 2024-2026 CHNA document.

The 2024-2026 Initial Implementation Plan may be found at the following website:

<https://www.mdihospital.org/wp-content/uploads/2025/02/MDIH-Community-Health-Needs-Assessment-2024-2026-PC-BOT-Approved-8.2.2024.pdf>

The Hospital's 2024-2026 Community Health Needs Assessment (CHNA) is freely available online on the Hospital's website at:

<https://www.mdihospital.org/wp-content/uploads/2025/02/2024-MDI-Region-CHNA-Action-Plan-FINAL-REPORT-5.1.2024.pdf>

The Hospital's 2024-2026 CHNA can also be found online at:

[https://static1.squarespace.com/static/5d5fec1f2b3df90001522875/t/663ae39d3e53895271fe7e17/1715135395937/2024+MDI+Region+CHNA+Action+Plan+\(2\).pdf](https://static1.squarespace.com/static/5d5fec1f2b3df90001522875/t/663ae39d3e53895271fe7e17/1715135395937/2024+MDI+Region+CHNA+Action+Plan+(2).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.

The Hospital's Community Benefits Report for the year ending April 2023

is available online at:

<https://www.mdihospital.org/wp-content/uploads/2023/12/Community-Benefits-Report-FY23-web.pdf>

Lastly, the Hospital's Impact Report for the year ending April 2024 is

available online at:

<https://www.mdihospital.org/wp-content/uploads/2024/10/MDI-Hospital-Impact-Report-2024-webupdateOct2.pdf>

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

The Hospital's Financial Assistance Program and related information can

be found online at:

<https://www.mdihospital.org/insurance-and-billing/financialassistance/>

The Hospital's free care/reduced cost application is available online

at:

<https://www.mdihospital.org/wp-content/uploads/2021/07/MDIH-FA-FORM-2019-1.pdf>

The Hospital also provides checklist and guides to accompany its

financial assistance application process, available online at:

<https://www.mdihospital.org/insurance-and-billing-faqs/financial-assistance-application-checklist/>

The Hospital's Financial Assistance Plain Language Summary is available

**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.

online at:

<https://www.mdihospital.org/wp-content/uploads/2019/05/Plain-Language-Summary-of-Financial-Assistance-Program-1557-revised-02-2020.pdf>

Lastly, the Hospital's complete Financial Assistance Policy is available online at:

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

**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.

each collection agency engaged is aware of the policy on Financial Assistance. This allows the agency to report amounts that they have determined to be uncollectible due to the inability to pay in accordance with the Financial Assistance eligibility guidelines.

Multiple horizontal lines for supplemental information.

**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) 2023

**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 (for example, open medical staff, community board, use of surplus funds, etc.).
- 6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part I, Line 7:

The 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.

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.

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 \$ 5,881,991.

Part II, Community Building Activities:



**Part VI** Supplemental Information (Continuation)

Beyond being a hub of health and care services in the Downeast Region of Maine, Mount Desert Island Hospital engages in multiple community building activities that promote the overall health and wellbeing of the communities it serves.

**Volunteerism:**

In a time of social isolation and a loneliness epidemic, the Hospital fosters multiple programs and initiatives that promote collaboration, connection, citizenship, philanthropy, and the common good of the community. The volunteers who donate their time to MDI Hospital, our Health Centers, and Birch Bay Retirement Village play an important role in the experience of our patients, families, and residents. They work alongside healthcare professionals, help in clinical and non-clinical areas, and support our mission to care for our community. Volunteer opportunities through the Hospital include nutrition services; emergency department; nursing department; materials management, and medical and administrative services.

**MDI Hospital Auxiliary:**

Beyond directly volunteering to facilitate hospital services, the MDI Hospital Auxiliary Program has for decades provided an opportunity for the Hospital and the community to meet, collaborate, and improve the health of the region together. This volunteer group is comprised of community members, Hospital employees and retirees. Auxiliary members devote many hours each year to various fundraising efforts including their annual auction and raffle, bakes sales, and jewelry sales. The MDI Hospital Auxiliary acts as a liaison between MDI Hospital and the local. Community members organize events and volunteer their time and skills to raise

**Part VI** Supplemental Information (Continuation)

financial support for a variety of needs around MDI Hospital. Members support our annual fundraising efforts through volunteering at various events, baking delicious treats and serving as ambassadors for the Hospital. These efforts help to provide important philanthropic support for needed programs and services.

Community Health Education:

Mount Desert Island Hospital dedicates significant time and resources to providing a wide array of community engagement and health education programs, designed to improve the general health literacy and day-to-day wellbeing of persons living and working in the community served by the Hospital. Classes and resources offered by the Hospital for community health programs cover the following topics: childbirth and child support; diabetes education; general wellness, fitness, and healthy living; tobacco, drug, and alcohol avoidance programs; nutritional education; affordable care act and patient rights education; and "Serv Safe" courses for restaurant and food establishments.

Social Services:

The Hospital understands that health resources available at home is just as important as the health care received at a hospital. To that end, Social Services at MDI Hospital serve many important roles in delivery and management of care in our organization and beyond. Our goal is to provide compassionate, professional, confidential support for people suffering from mental health and substance abuse issues. As a liaison between the Hospital and MDI Behavioral Health Center, Clinical Social Work professionals facilitate scheduling of therapy, substance abuse services, outpatient psychiatric consultations, and prescription of medications as

**Part VI** Supplemental Information (Continuation)

needed. We also help coordinate psychiatric admissions, gather information for psychiatric consultations, and provide counseling support. As part of the Care Management Team, our staff meets with Hospital patients to address mental health needs and provide patients with information about available resources. In addition, we offer guidance for families of Hospital patients regarding coping with the health of loved ones, discharge planning, and accessing services like prescription assistance. Our staff also coordinates with providers and services outside MDI Hospital's system to ensure a smooth transition for our patients. Our Social Services staff is also involved in facilitation of a free support group for cancer survivors and employee wellness programs for local employees of MDI Hospital and other local employers.

Community Partnerships:

Mount Desert Island Hospital understands that its community is composed of a wide variety of stakeholders, individuals, businesses, and cultural groups. To facilitate the wellbeing of this broad collection of personalities and backgrounds, the Hospital routinely collaborates with community partners, government agencies, or other charitable organizations to bolster and improve the health of its community. For example, the Hospital coordinates services and resources with food and clothing banks to address food insecurity. The Hospital also collaborates with local businesses to secure fundraising and grant opportunities, and to help spread health education and healthy lifestyle literature throughout the local service area.

Part III, Line 2:

The estimated cost of bad debt expense as reported is derived from the

**Part VI** Supplemental Information (Continuation)

accounting systems and software the organization uses to calculate the cost-to-charge ratio from the as-filed Medicare Cost Reports.

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 \$3,511,867. 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 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

**Part VI** Supplemental Information (Continuation)

calculation. The only area where we did not utilize this template 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.

Additionally, the Hospital has elected to treat its Medicare Shortfall as Costs of Other Means Tested Government Programs, as reported on this Form 990, Schedule H, Part I, Line 7c. Mount Desert Island Hospital has determined that, in accordance with publications issued by the American Hospital Association and other industry associations, that this Medicare Shortfall should represent a net community benefit. The Hospital considers such net Medicare benefits to be substantially equivalent to a government health program for which eligibility depends on the recipient's income or assets. Additionally, given the shortfall reported on this Schedule H, Part I and III (Medicare revenues are only 77% of Medicare costs), it seems to the Hospital that Medicare reimbursement rates and other related revenues do not represent the true cost to the Hospital of treating Medicare patients. Furthermore, by treating patients eligible for Medicare at a net shortfall, the Hospital alleviates the Federal government's

**Part VI** Supplemental Information (Continuation)

burden to directly provide medical or other care services. As the Hospital provides patient services to those eligible for Medicare benefits, this is also an indication of increased services to promote the overall health of the Hospital's surrounding community; as the Hospital operates in a rural region of its State, and as the State of Maine as a whole has a rapidly aging median age and has one of the oldest average ages in the United States, treating Medicare-eligible patients is critical to providing care to the Hospital's community.

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

Part VI, Line 2:

**Part VI** Supplemental Information (Continuation)

The 2023 Community Health Needs Assessment (CHNA), covering the fiscal years ending 2024-2026, was conducted by Mount Desert Island Hospital in coordination with Healthy Acadia. In keeping with previous versions, our 2023-2024 CHNA process relied on the nationally-vetted Mobilizing for Action through Planning and Partnerships (MAPP) process and tools developed and published by the National Association of County and City Health Officers (NACCHO). MAPP outlines a four-step assessment process intended to take two years. We modified the process in accordance with the characteristics and small population size of our rural region and our six-month timeline.

To start, we convened a Steering Committee to help guide and advise the project. The Steering Committee was composed of leaders from organizations across the MDI region who reflect various perspectives and sectors.

As part of the four-step MAPP process, we developed and fielded two surveys:

1. Community Partner Survey
2. Community Health Survey

Through these surveys, available in both English and Spanish, thousands of community members were invited to answer questions and share their personal perceptions about the health of the community. Dozens of community partners, including Steering Committee members helped publicize and disseminate the survey widely in the region through various modalities, including social media sites, organization's electronic and print newsletters, and posters with a QR code and phone number to request a paper survey at locations including town offices, libraries, gyms,

**Part VI** Supplemental Information (Continuation)

community centers and faith organizations.

Additionally, starting in September 2023, community interviews and group discussions were regularly conducted to gather insight, data, and information from the community regarding their health priorities and concerns. These topics were then further scrutinized in themed working groups, and the committees leading the health assessments solicited feedback on their reports to ensure the documents accurately summarized the perspectives and experiences of the community.

The CHNA generated responses from community members living, working, playing, and/or receiving services in the local service area ("LSA"). The resulting data were analyzed, organized, and used to identify and frame our six themes further explored and discussed in the full CHNA.

Through the survey process, significant efforts were made to ensure that respondents matched the LSA population and recognized data collection norms. This was fulfilled through a diverse survey dissemination effort and frequent evaluation of respondent demographics. Data on town, gender, age, race and ethnicity, household income, and healthcare payment methods were collected. In response to recommendations in the 2020 CHNA report, special considerations and strategic outreach was focused to ensure participation among community members who are traditionally underrepresented in these types of surveys, including people who have low incomes, identify as Black, Indigenous, and people of color (BIPOC), identify as lesbian, gay, bisexual, pansexual, transgender, genderqueer, queer, intersexed, agender, asexual (LGBTQIA+), disabled or having disabilities, essential workers, unemployed and underemployed individuals,



**Part VI** Supplemental Information (Continuation)

and seasonal residents. In response to recommendations in the 2020 CHNA Report, we added features to the demographic data collection: (1) income data; (2) actual name of the town rather than zip code for greater specificity; and (3) expansion of the question "How do you pay for healthcare?" to clarify data on employer-provided, personally purchased, and various types of government-sponsored insurance. A high number of survey responses is always desirable, of course. CHNA Coordinators and Steering Committee Members are pleased that with a population of 15,000 in our LSA, we heard from a large and representative group of community members with varied interests and opinions regarding the health of their communities, where strengths and challenges exist, and what priorities they would like addressed.

We also conducted a review of relevant literature and existing data, such as those published by the U.S. Census Bureau and the Maine Center for Disease Control and Prevention, and as framed within the context of 2023 U.S. Census Bureau data.

The combined process led to identifying six major themes and a working group was convened to address each of these themes. People with expertise in these areas as well as members of the general public were invited to join a working group to be sure the compositions included myriad perspectives and passions. The six themes are 1) Access to Care; 2) Aging in Place; 3) Basic Needs; 4) Community Connectedness; 5) Housing; and 6) Mental and Behavioral Health, including Substance Use. The working groups helped delineate strengths, challenges, goals and strategies within each theme.

**Part VI** Supplemental Information (Continuation)

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 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

**Part VI** Supplemental Information (Continuation)

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 polices 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 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:

Mount Desert Island Hospital serves the Mount Desert Island region local service area, which includes the towns of Bar Harbor, Cranberry Isles, Frenchboro, Hancock, Lamoine, Mount Desert, Southwest Harbor, Swan's Island, Tremont, and Trenton, all of which are located in the Downeast and Acadia Region of the State of Maine, specifically Hancock County.

**Part VI** Supplemental Information (Continuation)

In 2020, the population of Hancock County totaled 55,478, an increase of 2 percent or 1,060 since 2010, according to U.S. Census Bureau data. The population for the ten towns in the LSA was approximately 15,000 in 2023. The LSA includes three municipalities on unbridged islands: Cranberry Isles, Frenchboro, and Swans Island.

Census Bureau 2020 data related to health status show Hancock County with demographics that suggest complex and high-usage health-related needs. For example, Maine has the oldest population in the United States and Hancock County has a greater than average number of older adults compared to the overall population in Maine. The County's median age is 48.9 years compared to 45.1 years for Maine. In other words, Maine has the oldest population in the nation and Hancock County is the third oldest county in Maine. The percentage of Hancock County adults over age 65 is 25.7% compared to 22.6% in Maine.

Adults in Hancock County without health coverage total 10.2% compared to the statewide average of 6.6%. Hancock County's poverty rate of 10.9% is slightly higher than for all of Maine at 10.8%. Household income parallels those comparisons with a median of \$64,149 in Hancock County and \$69,543 statewide.

Regarding access to services, 2020 Census data reveal limitations on access compared to other areas in Maine. For example, Hancock County has one primary care provider per 950 residents, while Maine overall has one provider per 930 residents. The results for dentists are more dramatic with one dentist per 2030 residents in Hancock County and one for every 1401 residents statewide.

**Part VI** Supplemental Information (Continuation)

According to the Maine Department of Labor, Hancock County unemployment levels are higher than the statewide average, 6% unemployment in Hancock County, compared to 4.5% statewide. Hancock County has the third highest unemployment rate in the State, just below Washington and Piscataquis counties. Seasonal fluctuations in employment are significant and complicate the County and local data because two of the most substantial portions of the economy are highly seasonal - tourism and the fishing industries.

Part VI, Line 5:

Mount Desert Island Hospital serves a close-knit island and surrounding communities through a 25-bed critical access facility in Bar Harbor and a network of area health centers-all designed to provide comprehensive healthcare for residents and visitors.

Since it was established in 1897, the nonprofit hospital has grown into a premier rural healthcare organization with a retirement community and six primary care health centers, as well as a full-service behavioral health center and a dental clinic.

Today, MDI Hospital employs more than 500 people and is the second-largest employer on Mount Desert Island. Our active medical staff includes hospitalists, primary care physicians and practitioners, highly skilled nurses, orthopedic surgeons, general surgeons, psychiatrists, care managers, a board-certified emergency physician, an oncologist, an ophthalmologist, a pathologist, a radiologist, and a urologist.

**Part VI** Supplemental Information (Continuation)

MDI Hospital's groundbreaking teaching partnership with Penn Medicine, established in 2011, has evolved into a model for future urban-rural partnerships across the nation and has established MDI Hospital as a premier rural hospital for emergency medicine and critical care. The hospital's Emergency Department, a critical link in Downeast Maine's trauma delivery system, serves the Mount Desert Island community 24 hours a day, 365 days a year.

MDI Hospital received a five-star rating, the highest awarded, from the Centers for Medicare and Medicaid Services in 2020. In addition, the organization's inpatient, outpatient, emergency and surgical care services have been consistently recognized by Avatar International, the Leapfrog Group, the National Rural Health Association, Harvard Pilgrim and Healthgrades.

At MDI Hospital and Health Centers, we are dedicated to providing compassionate, high-quality healthcare to every patient who walks through our doors. As an independent, nonprofit critical access health system, we serve our community with respect, dignity, and care-welcoming all individuals, regardless of background, circumstances, or ability to pay.

MDI Hospital also serves as a critical education center for the future of the State's healthcare profession, providing technical and professional educational opportunities in a rural health care setting. The Hospital offers multiple programs and incentives to ensure that its community continues to attract and retain health service professionals, which in turn helps protect the viability and future wellbeing of the community.

**Part VI** Supplemental Information (Continuation)

As a Hospital and Health Center serving a rural part of the State, the Hospital ensures it can provide a comprehensive line of services that, were it not for Mount Desert Island Hospital, would not be available in the Downeast Region. Such services include: Adult Day Programs; Anticoagulation Clinics; Behavioral Health services; Breast Health services; Cancer Patient Navigator programs; Cardiac Rehabilitation services; Cardiology services; Cardiopulmonary services; Care Management; Critical Care/ICU access; Dental/Oral Health services; Diabetes Education; Elder Care; Emergency Department access; Family Medicine; Health Coaching; Laboratory services; Medical Imaging; Music Therapy; Nursing; Nutrition Counseling; Obstetrics; Occupational Medicine; Oncology & Hematology services ; Ophthalmology services; Orthopedics services; Palliative Care; Platelet-Rich Plasma Therapy; Pediatric services; Pharmacy access; Physical Medicine; Physical Therapy; Prescription Assistance; Primary Care services; Pulmonology services; Short Term Rehab; Speech Therapy; Sports Medicine; Surgery and Surgical Centers; Urogynecology services; Urology services; Weekend Care Clinic access; and Women's Health.

The Hospital openly and directly shares information with its patients regarding pricing, care options, and health logistics to assist patients in navigating what health and care options fits their needs and lifestyle most appropriately. The Hospital also routinely gathers information about its community's needs via volunteer programs, community assessments, and patient surveys. The Hospital is also managed by an Independent Board of Directors made up of members of the community with a vested interest in seeing the health and wellbeing of the Downeast Region improve and prosper.

**Part VI** Supplemental Information (Continuation)

Part VI, Line 6:

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

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

ME



**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

**2023**

**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.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) 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

**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	14	37,500.	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 who are graduates of MDI High School and 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 multiple years so long as the recipient continues to meet predefined criteria. 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.

Multiple horizontal lines for supplemental information.

**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.

OMB No. 1545-0047

**2023**

Open to Public  
Inspection

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Schedule J (Form 990) 2023

**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) Stuart Davidson, MD Physician	(i)	526,649.	46,875.	42,400.	0.	42,621.	658,545.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) Charles Hendricks, MD Physician	(i)	525,680.	27,518.	24,010.	0.	24,087.	601,295.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) Joseph Dougherty, MD Physician	(i)	365,766.	25,000.	30,669.	0.	33,930.	455,365.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) Christina Maguire President & CEO	(i)	333,286.	15,375.	36,975.	0.	26,301.	411,937.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) David Sugerman, MD Physician	(i)	335,663.	7,500.	2,202.	0.	49,328.	394,693.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) Katherine Gassman, MD Physician	(i)	346,721.	27,500.	147.	0.	14,686.	389,054.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) Peter Witham, MD Trustee/Physician	(i)	216,270.	10,000.	688.	0.	41,081.	268,039.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) Michelle Smith Vice President/Treasurer & CFO	(i)	176,819.	7,841.	225.	0.	45,768.	230,653.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) Julian Kuffler, MD Trustee/Physician	(i)	169,291.	0.	4,702.	0.	41,099.	215,092.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(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.

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

<b>Part I Bond Issues</b>		<b>See Part VI for Column (f) Continuations</b>									
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
<b>A</b> MHHEFA Series 2020B	01-0314384	None	11/01/20	6,596,038.	Financing MRI Equipment, Constr		X		X	X	
<b>B</b> MHHEFA Series 2023B	01-0314384	None	12/05/23	8,236,713.	Refinance Cadillac building		X		X	X	
<b>C</b>											
<b>D</b>											

<b>Part II Proceeds</b>		<b>A</b>		<b>B</b>		<b>C</b>		<b>D</b>	
<b>1</b> Amount of bonds retired		624,962.		698,288.					
<b>2</b> Amount of bonds legally defeased									
<b>3</b> Total proceeds of issue		6,516,000.		9,361,915.					
<b>4</b> Gross proceeds in reserve funds				698,288.					
<b>5</b> Capitalized interest from proceeds									
<b>6</b> Proceeds in refunding escrows				2,388,217.					
<b>7</b> Issuance costs from proceeds				140,296.					
<b>8</b> Credit enhancement from proceeds				31.					
<b>9</b> Working capital expenditures from proceeds				6,135,083.					
<b>10</b> Capital expenditures from proceeds		6,516,000.							
<b>11</b> Other spent proceeds									
<b>12</b> Other unspent proceeds									
<b>13</b> Year of substantial completion				2025					
		Yes	No	Yes	No	Yes	No	Yes	No
<b>14</b> Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?			X		X				
<b>15</b> Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?			X		X				
<b>16</b> Has the final allocation of proceeds been made?		X			X				
<b>17</b> Does the organization maintain adequate books and records to support the final allocation of proceeds?		X		X					

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

Schedule K (Form 990) 2023

<b>Part III Private Business Use</b>								
	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? .....		X		X				
2 Are there any lease arrangements that may result in private business use of bond-financed property? .....		X		X				
3a Are there any management or service contracts that may result in private business use of bond-financed property? .....		X		X				
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property? .....		X		X				
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? ...								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government .....		.00 %		.00 %		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government .....		.00 %		.00 %		%		%
6 Total of lines 4 and 5 .....		.00 %		.00 %		%		%
7 Does the bond issue meet the private security or payment test? .....		X		X				
8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?		X		X				
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of .....		%		%		%		%
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? .....								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? .....	X		X					

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



	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					

	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.

.....

(a) Issuer Name: MHHEFA Series 2023B

(f) Description of Purpose:

Refinance Cadillac building mortgage; central utility plant upgrades.

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**SCHEDULE M  
(Form 990)**

**Noncash Contributions**

OMB No. 1545-0047

**2023**

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.

Department of the Treasury  
Internal Revenue Service

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	5	79,622.	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**

	Yes	No
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 3 years from the date of the initial contribution, and which isn't required to be used for exempt purposes for the entire holding period?		X
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?	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?	X	
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.		

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

Schedule M (Form 990) 2023

**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.

OMB No. 1545-0047

**2023**

Open to Public  
Inspection

Name of the organization

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. 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 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 full Form 990 and all supporting schedules. Once the Finance Committee has completed its review, all Board of Trustees members are provided with a copy of the Form 990. Trustees are given the opportunity to comment and review the Form 990 before it 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.

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

Schedule O (Form 990) 2023

LHA 332211 11-14-23

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

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 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, specifically the Compensation Committee of the Board of Trustees. The governing body and this committee use market data from an independent source to compare compensation models of similarly sized organizations within like demographic and geographic areas to align compensation packages.

Name of the organization

Mount Desert Island Hospital

Employer identification number

01-0211797

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:

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. 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 IX, Line 11g, Other Fees:

Purchased services:

Program service expenses	3,918,267.
Management and general expenses	5,495,625.
Fundraising expenses	0.
Total expenses	9,413,892.

Contract labor:

Program service expenses	4,638,901.
Management and general expenses	0.

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

Fundraising expenses	0.
Total expenses	4,638,901.

Consulting fees:

Program service expenses	5,201.
Management and general expenses	0.
Fundraising expenses	163,874.
Total expenses	169,075.
Total Other Fees on Form 990, Part IX, line 11g, Col A	14,221,868.

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

Change in value of beneficial interest in trust	84,639.
Pledge discount adjustment	-1,728,423.
Total to Form 990, Part XI, Line 9	-1,643,784.

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.

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.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
Birch Bay Retirement Village - 01-0481696 P.O. Box 8, 10 Wayman Lane Bar Harbor, ME 04609-0008	Retirement Community	Maine	501(c)(3)	Line 12a, I	Mount Desert Island Hospital	X	



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

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

**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 .....		X
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....		X
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....		X
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	X	
<b>e</b> Loans or loan guarantees by related organization(s) .....		X
<b>f</b> Dividends from related organization(s) .....		X
<b>g</b> Sale of assets to related organization(s) .....		X
<b>h</b> Purchase of assets from related organization(s) .....		X
<b>i</b> Exchange of assets with related organization(s) .....		X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....		X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....		X
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....	X	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....		X
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....	X	
<b>o</b> Sharing of paid employees with related organization(s) .....	X	
<b>p</b> Reimbursement paid to related organization(s) for expenses .....		X
<b>q</b> Reimbursement paid by related organization(s) for expenses .....		X
<b>r</b> Other transfer of cash or property to related organization(s) .....		X
<b>s</b> Other transfer of cash or property from related organization(s) .....		X

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Birch Bay Retirement Village	L	192,888.	Actual per Books
(2) Birch Bay Retirement Village	D	1,268,498.	Actual per Books
(3)			
(4)			
(5)			
(6)			

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

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

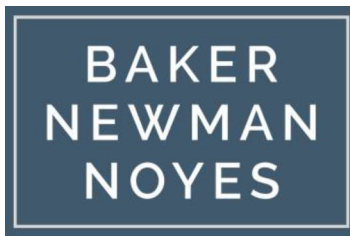
(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners sec. 501(c)(3) orgs.?		(f) Share of total income	(g) Share of end-of-year assets	(h) Dispropor- tionate 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		Yes	No	

**Part VII** Supplemental Information

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

Multiple horizontal lines for supplemental information input.

Electronic Filing PDF Attachment



# **Mount Desert Island Hospital and Subsidiaries**

**Consolidated Financial Statements  
and Additional Information**

*Years Ended April 30, 2024 and 2023  
With Independent Auditors' Report*

Baker Newman & Noyes LLC  
MAINE | MASSACHUSETTS | NEW HAMPSHIRE  
800.244.7444 | [www.bnn CPA.com](http://www.bnn CPA.com)



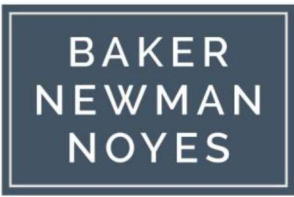
# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## CONSOLIDATED FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION

April 30, 2024 and 2023

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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, 2024 and 2023, 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, 2024 and 2023, 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 12, 2024

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

CONSOLIDATED BALANCE SHEETS

April 30, 2024 and 2023

ASSETS

	<u>2024</u>	<u>2023</u>
Current assets:		
Cash and cash equivalents	\$ 6,239,476	\$ 8,111,084
Accounts receivable	14,711,984	15,546,485
Due from Birch Bay Village Association	264,511	209,943
Estimated third-party payor settlements	115,991	—
Inventories	627,030	530,674
Prepaid expenses and other current assets	957,836	694,196
Current portion of pledges receivable	3,876,781	1,211,800
Current portion of trustee held funds	<u>1,054,699</u>	<u>757,721</u>
Total current assets	27,848,308	27,061,903
Assets limited as to use or donor restricted:		
Board-designated funds	11,388,455	11,858,247
Donor-restricted funds	<u>7,956,539</u>	<u>5,433,348</u>
Total investments	19,344,994	17,291,595
Trustee held funds, net of current portion	3,254,330	—
Grant receivable	5,000,000	—
Pledges receivable, net of current portion	10,566,249	1,383,520
Beneficial interest in perpetual trusts	<u>1,854,875</u>	<u>1,770,236</u>
Total assets limited as to use or donor restricted	40,020,448	20,445,351
Property and equipment, net	38,029,623	31,240,265
Right-of-use assets	387,238	513,586
Other assets:		
Resident priority and construction deposits	352,489	313,136
Investments to fund deferred compensation	3,362,352	3,450,568
Other assets	<u>1,321,502</u>	<u>2,450,201</u>
Total other assets	<u>5,036,343</u>	<u>6,213,905</u>
Total assets	<u>\$111,321,960</u>	<u>\$85,475,010</u>

LIABILITIES AND NET ASSETS

	<u>2024</u>	<u>2023</u>
Current liabilities:		
Accounts payable and accrued expenses	\$ 6,866,426	\$ 5,519,805
Accrued payroll and benefit related liabilities	6,596,049	6,002,975
Estimated third-party payor settlements	–	4,314,714
Deferred revenue	33,750	3,620
Current portion of long-term obligations	998,738	833,578
Current portion of lease obligations - finance	123,922	–
Current portion of lease obligations - operating	<u>215,330</u>	<u>200,919</u>
Total current liabilities	14,834,215	16,875,611
Resident priority and construction deposits	352,489	313,136
Long-term obligations, less current portion	18,653,450	12,928,131
Lease obligations, less current portion - finance	270,163	–
Lease obligations, less current portion - operating	179,539	319,482
Deferred compensation	3,362,352	3,450,568
Other long-term liabilities	<u>1,406,123</u>	<u>2,421,167</u>
Total liabilities	39,058,331	36,308,095
Net assets:		
Without donor restrictions	43,009,185	39,368,011
With donor restrictions	<u>29,254,444</u>	<u>9,798,904</u>
Total net assets	72,263,629	49,166,915
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$111,321,960</u>	<u>\$85,475,010</u>

See accompanying notes.

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF OPERATIONS**

Years Ended April 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenues without donor restrictions, gains and other support:		
Patient service revenues	\$80,342,320	\$74,794,193
Resident revenue	5,836,264	5,321,932
Commission revenue	39,600	109,600
Other revenue	2,277,661	2,857,002
Gifts and bequests	1,466,820	1,562,987
Net assets released from restrictions used for operations	<u>494,221</u>	<u>531,085</u>
Total revenues without donor restrictions, gains and other support	90,456,886	85,176,799
Expenses:		
Salaries and employee benefits	55,165,900	53,992,816
Supplies and other expenses	30,137,095	28,943,380
Healthcare provider tax	1,246,296	1,253,674
Depreciation and amortization	3,221,486	2,995,809
Interest	<u>624,949</u>	<u>642,032</u>
Total expenses	90,395,726	87,827,711
Operating gain (loss)	61,160	(2,650,912)
Other income (loss):		
Interest income	509,398	31,381
Recognized gain in fair value of investments	936,572	414,247
Loss on sale of property and equipment	(217,821)	(243,892)
Other miscellaneous expense	(974,696)	(919,517)
Gain on refinance of long-term obligations	<u>—</u>	<u>43,682</u>
Total other income (loss)	<u>253,453</u>	<u>(674,099)</u>
Excess (deficiency) of revenues, gains and other support over expenses	314,613	(3,325,011)
Net assets released from restrictions used for purchase of property and equipment	<u>3,326,561</u>	<u>173,604</u>
Increase (decrease) in net assets without donor restrictions	<u>\$ 3,641,174</u>	<u>\$ (3,151,407)</u>

See accompanying notes.

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

Years Ended April 30, 2024 and 2023

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Balances at May 1, 2022	\$42,519,418	\$ 8,949,563	\$51,468,981
Deficiency of revenues, gains and other support over expenses	(3,325,011)	–	(3,325,011)
Change in value of beneficial interest in perpetual trusts	–	(79,071)	(79,071)
Restricted contributions	–	1,633,101	1,633,101
Net assets released from restrictions used for operations	–	(531,085)	(531,085)
Net assets released from restrictions used for purchase of property and equipment	<u>173,604</u>	<u>(173,604)</u>	<u>–</u>
Balances at April 30, 2023	39,368,011	9,798,904	49,166,915
Excess of revenues, gains and other support over expenses	314,613	–	314,613
Change in value of beneficial interest in perpetual trusts	–	84,639	84,639
Restricted contributions	–	23,191,683	23,191,683
Net assets released from restrictions used for operations	–	(494,221)	(494,221)
Net assets released from restrictions used for purchase of property and equipment	<u>3,326,561</u>	<u>(3,326,561)</u>	<u>–</u>
Balances at April 30, 2024	<u>\$43,009,185</u>	<u>\$29,254,444</u>	<u>\$72,263,629</u>

See accompanying notes.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended April 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ 23,096,714	\$ (2,302,066)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Change in beneficial interest in perpetual trusts	(84,639)	79,071
Depreciation and amortization	3,221,486	2,995,809
Loss on sale of property and equipment	217,821	243,892
Gain on refinance of long-term obligations	—	(43,682)
Change in net unrealized and realized gains on investments	(936,572)	(414,247)
Restricted contributions	(23,191,683)	(1,633,101)
Change in pledges receivable, net	(11,847,710)	1,079,286
Changes in operating assets and liabilities:		
Accounts receivable	834,501	(4,688,602)
Other receivables and assets	1,074,131	(43,002)
Grant receivable	(5,000,000)	—
Estimated third-party payor settlements	(4,430,705)	(3,092,851)
Prepaid expenses and other current assets and inventories	(359,996)	160,689
Accounts payable and accrued expenses	840,554	1,875,387
Accrued payroll and employee benefits	593,074	161,625
Deferred revenue	30,130	3,620
Other long-term liabilities	(1,015,044)	(54,209)
Lease obligations	<u>(162,114)</u>	<u>6,815</u>
Net cash used by operating activities	(17,120,052)	(5,665,566)
Cash flows from investing activities:		
Purchases of property and equipment	(9,252,650)	(2,250,548)
Purchase of investments	(6,074,615)	(2,366,347)
Proceeds from sales of investments	4,957,788	518,967
Increase in trustee held funds	<u>(3,551,308)</u>	<u>(383)</u>
Net cash used by investing activities	(13,920,785)	(4,098,311)
Cash flows from financing activities:		
Restricted contributions	23,191,683	1,633,101
Repayments of long-term obligations	(3,864,490)	(2,345,641)
Proceeds of long-term obligations, net of premiums	<u>9,842,036</u>	<u>1,130,089</u>
Net cash provided by financing activities	<u>29,169,229</u>	<u>417,549</u>
Net decrease in cash and cash equivalents	(1,871,608)	(9,346,328)
Cash and cash equivalents at beginning of year	<u>8,111,084</u>	<u>17,457,412</u>
Cash and cash equivalents at end of year	<u>\$ 6,239,476</u>	<u>\$ 8,111,084</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	<u>\$ 465,473</u>	<u>\$ 658,315</u>
Property and equipment included in accounts payable and accrued expenses	<u>\$ 506,067</u>	<u>\$ —</u>
See note 14 with respect to certain noncash activities related to leases.		

See accompanying notes.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

### 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 was 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 was 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. The Collaborative membership voted to dissolve the Collaborative effective December 31, 2023.

The Hospital was established as a member of the Community Care Partnership of Maine (CCPM) in 2023. CCPM is an Accountable Care Organization (ACO) that is comprised of twenty-one member organizations. Members seek out opportunities to collaborate together in pursuit of one common goal: to improve the health of the communities we serve.

### 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.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

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

#### 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.

#### 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 credit losses. Accounts receivable amounted to \$14,711,984, \$15,546,485 and \$10,857,883 as of April 30, 2024, 2023 and 2022, respectively.

#### Investments

Investments are measured at fair value on the consolidated balance sheets. Investment income, including realized and unrealized gains and losses on investments, interest and dividends, is included in the excess (deficiency) 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 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 (deficiency) 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 (deficiency) of revenues, gains and other support over expenses.



# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

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

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.

#### 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.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

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

#### 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.

#### Grant Receivable

Grant receivable represents an award granted to the Organization under the *2024 Labor, Health and Human Services, and Educations Appropriations Bill* passed by the President of the United States of America in March 2024. Total amount granted is \$5,000,000 and is to be used to expand the emergency department. Management of the Organization expects the funds to be received and used in fiscal year 2026. The Organization has recognized the award as a restricted contribution during the year ended April 30, 2024 and amounts are recorded within grant receivable on the accompanying 2024 consolidated balance sheet.

#### Pledges Receivable

Pledges receivable represent promises to give by donors in connection with several major projects that are currently underway and to support the Organization's Master Expansion Capital Campaign. The Organization is in the final stage of building the medical education and housing and is mid-way in the construction of a new central utility plant which will include energy efficient dual fuel boilers, upgrades to the central heat, air conditioning and electrical systems. The Hospital is in the process of applying for Certificate of Need approval for the Master Expansion Project. Once obtained, the Hospital will embark on this Project, which is multi-year faceted and includes the expansion and renovation of the emergency department, renovation of the surgical services area and a new dedicated main entrance to the Hospital. All pledges receivable are expected to be collected in the next one to nineteen 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 approximately \$1,797,000 and \$299,000 allowance for uncollectible pledges receivable is necessary at April 30, 2024 and 2023, 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.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

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

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support, and excluded from the excess (deficiency) 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.

#### 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>2024</u>	<u>2023</u>
Charges foregone, based on established rates	<u>\$772,000</u>	<u>\$323,000</u>
Estimated costs and expenses incurred to provide free and discounted care	<u>\$468,000</u>	<u>\$209,000</u>
Equivalent percentage of free and discounted care charges to all Hospital patient charges	<u>0.61%</u>	<u>0.65%</u>

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

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

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.

#### Performance Indicator

For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of healthcare services are reported as operating revenues and expenses. Peripheral transactions are reported as nonoperating gains or losses.

The consolidated statements of operations include excess (deficiency) 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, 2024 and 2023, 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, 2024.

#### Leases

The Organization determines if an arrangement is a lease at the inception of a contract. Leases with an initial term of twelve months or less are not recorded on the consolidated balance sheets. Leases are classified as operating or finance leases based on the terms of the lease agreement and certain characteristics of the identified asset.

Right-of-use assets represent the Organization's right to use an underlying asset during the lease term and lease obligations represent the Organization's obligation to make lease payments arising from the lease. Right-of-use assets and lease obligations are recognized at the commencement date, based on the net present value of fixed lease payments over the lease term. The Organization's lease terms include options to extend or terminate the lease when it is reasonably certain that the options will be exercised.

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

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

The Organization determines the present value of future lease payments using the rate implicit in the lease or, if that rate cannot be readily determined, its incremental borrowing rate at the lease commencement date. As most of the Organization's leases do not provide an implicit rate, the Organization generally uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The Organization considers recent debt issuances, as well as publicly available data for instruments with similar characteristics, when calculating its incremental borrowing rate.

Operating fixed lease expense is recognized on a straight-line basis over the lease term. Finance lease assets are amortized on a straight-line basis, with interest costs reported separately, over the lesser of the useful life of the leased asset or lease term. Variable lease costs consist primarily of common area maintenance and are not significant to total lease expense.

#### Reclassifications

Certain 2023 amounts have been reclassified to permit comparison with the 2024 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 12, 2024, 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 healthcare services to patients. Revenues are recorded during the period obligations to provide healthcare 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, 2024 and 2023

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

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. These reimbursements are subject to the federal government's sequestration payment reduction of 2%, thereby reducing reimbursable costs to 99%. 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, 2019.
- 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, 2019.
- 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 2022.
- 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 healthcare 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>2024</u>	<u>2023</u>
Medicare	\$20,889,003	\$20,194,432
Medicaid	8,837,655	6,731,477
Anthem Blue Cross and Blue Shield	10,444,501	9,723,245
Other third-party payors	37,760,891	35,153,271
Patients	<u>2,410,270</u>	<u>2,991,768</u>
Patient service revenue	<u>\$80,342,320</u>	<u>\$74,794,193</u>

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

### 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 healthcare 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 26% and 11% of the Hospital's patient service revenue for the year ended April 30, 2024 and 27% and 9% for the year ended April 30, 2023. 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 \$3,248,000 and \$(1,523,500) in 2024 and 2023, 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 healthcare provider tax (State tax). As a result, the Hospital was subjected to and recorded \$1,246,296 and \$1,253,674 of State tax in 2024 and 2023, 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 and escrow funds. The total amounts held in these funds by a trustee are as follows at April 30:

	<u>2024</u>	<u>2023</u>
2023B – debt service	\$ 264,077	\$ –
2023B – construction fund	3,254,330	–
2020A	386,667	\$370,471
2020B	308,396	298,796
2022A	<u>95,559</u>	<u>88,454</u>
	<u>\$4,309,029</u>	<u>\$757,721</u>

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

### 4. Trustee Held Funds (Continued)

In November 2023, the Organization entered into the Series 2023B revenue bond with MHHEFA. Financing was used to partially fund the central utility project and the remaining funds to refinance a mortgage note payable. The portion of the financing to be used for the central utility project are held by a trustee, under the terms of an escrow agreement which allows for withdrawals only for approved purchases.

All trustee held funds consist of cash equivalents and the market value of these instruments approximates cost.

### 5. Investments

Investments are designated as follows at April 30:

	<u>2024</u>	<u>2023</u>
Assets limited as to use – Board designated:		
J.C. Warren Employee Education Program	\$ 302,477	\$ 302,477
MDI without donor restrictions fund	11,009,616	11,555,073
Other	<u>76,362</u>	<u>697</u>
	11,388,455	11,858,247
Assets limited as to use – with donor restrictions:	<u>7,956,539</u>	<u>5,433,348</u>
	<u>\$19,344,994</u>	<u>\$17,291,595</u>

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

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 7,387,715	\$ 4,447,167
Exchange traded funds	1,174,987	360,807
Mutual funds	9,534,437	8,511,071
Fixed income	<u>1,247,855</u>	<u>3,972,550</u>
	<u>\$19,344,994</u>	<u>\$17,291,595</u>

The Hospital's primary responsibility is to provide healthcare 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.



# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

### 5. Investments (Continued)

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:

<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>2024</u>	<u>2023</u>
Land and improvements	\$ 5,839,036	\$ 5,512,836
Buildings and improvements	42,178,347	41,119,862
Fixed equipment	<u>31,613,419</u>	<u>28,680,164</u>
	79,630,802	75,312,862
Less allowances for depreciation and amortization	<u>(49,385,142)</u>	<u>(46,217,452)</u>
	30,245,660	29,095,410
Construction in progress	<u>7,783,963</u>	<u>2,144,855</u>
	<u>\$ 38,029,623</u>	<u>\$ 31,240,265</u>

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

### 6. **Property and Equipment (Continued)**

The Organization realized a net loss on the sale of property and equipment of \$217,821 and \$243,892 for the years ended April 30, 2024 and 2023, respectively.

The Organization has entered into construction commitments totaling approximately \$12,500,000 for the new medical education and housing facility which is expected to be completed in September 2024 and the central utility plant which is expected to be online in March 2025. The Organization is funding these projects with donations received and through external financing received in fiscal year 2024. Subsequent to year end, the Organization entered into an agreement for certain professional services related to the Master Expansion Project with commitments totaling approximately \$2,600,000. The Organization intends to fund the Master Expansion Project through donations and grants received in addition to external financing.

### 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 2024 and 2023, and management fees were approximately \$219,000 and \$209,000 in 2024 and 2023, respectively. Due from BBVA of \$264,511 and \$209,943 at April 30, 2024 and 2023, respectively, represents land lease payments, cooperative fees and shared expenses expected to be received within one year.

As of April 30, 2024 and 2023, BBRV maintained priority deposits to reserve units in the Inn, as well as security deposits for residents, totaling \$352,489 and \$313,136, 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 (8.50% at April 30, 2024). Maximum borrowings under the agreement are \$1,000,000 and any outstanding amounts are due on demand. There were no amounts outstanding on the line of credit at April 30, 2024 and 2023. Advances are collateralized by the Hospital's unrestricted investments.

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

**8. Borrowings (Continued)**

Long-Term Obligations

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

	<u>2024</u>	<u>2023</u>
<b>Mount Desert Island Hospital</b>		
MHHEFA Revenue Bonds, Series 2023B, interest rates varying between 4.75% and 5.25%, principal due in amounts ranging from \$150,000 to \$415,000 through 2053, plus remaining premium of \$420,692 in 2024	\$ 8,657,405	\$ —
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 \$413,526 in 2024 and \$438,588 in 2023	6,304,564	6,604,626
\$600,000 note payable, interest rate is fixed at 5.00%, maturing in March 2031, due in monthly installments of \$8,480, secured by real estate	594,020	—
\$3,600,000 mortgage note payable, interest rate at the prime rate plus 0.75%, maturing January 6, 2036, due in monthly installments totaling \$25,796; collateralized by real estate. Paid in full during 2024	—	2,430,223
<b>Birch Bay Retirement Village</b>		
MHHEFA Revenue Bonds, Series 2022A, interest rate of 5.00%, principal due in amounts ranging from \$130,000 through 2032, plus remaining premium of \$66,779 in 2024 and \$74,956 in 2023	916,779	1,009,956
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 \$520,952 in 2024 and \$478,505 in 2023	<u>3,506,651</u>	<u>3,944,205</u>
	19,979,419	13,989,010
Less current portion	(998,738)	(833,578)
Less bond issuance costs	<u>(327,231)</u>	<u>(227,301)</u>
	<u>\$18,653,450</u>	<u>\$12,928,131</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 2023 and 2020 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 2022 and 2020 bonds are collateralized by the gross receipts of BBRV, its equipment and fixtures, and a mortgage lien on BBRV's real estate.

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

**8. Borrowings (Continued)**

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. BBRV recognized a gain on refinance of long-term obligations totaling \$43,682 during the year ended April 30, 2023.

Under their agreements with MHHEFA, the Organization must meet certain restrictive loan covenants. The Organization was in compliance with these requirements at April 30, 2024 and 2023.

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

2025	\$ 998,738
2026	1,137,510
2027	1,186,476
2028	1,225,644
2029	1,285,026
Thereafter	<u>14,146,025</u>
	<u>\$19,979,419</u>

**9. Net Assets With Donor Restrictions**

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

	<u>2024</u>	<u>2023</u>
Purpose restriction:		
U-Penn Pilot Project	\$ 160,000	\$ 14,565
Community Health Center	133,557	133,557
Palliative Care support	-	50,000
Straus Center support	136,527	187,791
Master Campus Expansion Project	22,909,931	2,967,477
Generator Project	701,405	759,140
MRI Project	101,828	255,035
Kogod Education Center	733,943	3,059,611
CORE Renovation Project	1,651,372	-
Other	<u>434,361</u>	<u>164,847</u>
	26,962,924	7,592,023
Perpetual in nature:		
Expendable for free care and hospital operations	436,645	436,645
Beneficial interest in trust funds held by others	<u>1,854,875</u>	<u>1,770,236</u>
	<u>2,291,520</u>	<u>2,206,881</u>
Total net assets with donor restrictions	<u>\$29,254,444</u>	<u>\$9,798,904</u>

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

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

The Hospital is the beneficiary of five trusts as of April 30, 2024 and 2023, 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 \$1,854,875 and \$1,770,236 as of April 30, 2024 and 2023, respectively. Increases and decreases in the carrying value of these assets are included in net assets with donor restrictions.

### 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 \$3,362,352 and \$3,450,568 at April 30, 2024 and 2023, respectively, to reflect its liability under this plan. The Hospital has a corresponding asset of \$3,362,352 and \$3,450,568 (assets consist entirely of mutual funds) at April 30, 2024 and 2023, 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 \$680,059 and \$650,381 for 2024 and 2023, 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>2024</u>	<u>2023</u>
Medicare	19%	19%
MaineCare	11	9
Anthem	11	11
Other third party payors	44	45
Patients	<u>15</u>	<u>16</u>
	<u>100%</u>	<u>100%</u>

# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

### 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, 2024 and 2023, 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 approximately \$664,000 and \$1,758,000 related to potential exposure arising from professional liability losses at April 30, 2024 and 2023, respectively. Amounts are included within other long-term liabilities on the accompanying consolidated balance sheets. The Hospital also recorded a receivable of approximately \$664,000 and \$1,758,000 at April 30, 2024 and 2023, respectively, related to estimated recoveries under insurance coverage for recoveries of the potential losses. Amounts are included within other assets on the accompanying consolidated balance sheets. In addition to the foregoing, at April 30, 2024 and 2023, the Hospital recorded an estimated liability of potentially incurred but not reported claims of approximately \$700,000 and \$663,000 at April 30, 2024 and 2023, respectively.

#### 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 \$8,256,558 and \$9,242,706 in 2024 and 2023, respectively. The Hospital provided services totaling \$5,415,386 and \$5,923,152 in 2024 and 2023, 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, 2024 and 2023

### 14. Leases

The Organization utilizes leases for the use of certain medical buildings and medical equipment. All lease agreements generally require the Organization to pay maintenance, repairs, property taxes and insurance costs, which are variable amounts based on actual costs incurred during each applicable period. Such costs are not included in the determination of the right-of-use asset or lease obligation. Variable lease cost also includes escalating rent payments that are not fixed at commencement but are based on an index that is determined in future periods over the lease term based on changes in the Consumer Price Index or other measure of cost inflation. Lease agreements may include one or more options to renew the lease at the end of the initial term, with renewal terms that generally extend the lease at the then market rate of rental payment. All such options are at the Organization's discretion and are evaluated at the commencement of the lease, with only those that are reasonably certain of exercise included in determining the appropriate lease term.

Lease expense under operating leases amounted to \$225,865 and \$226,567 for the years ended April 30, 2024 and 2023, respectively. Lease expense under finance leases amounted to \$92,942 for the year ended April 30, 2024. Interest on finance leases amounts to \$3,808 for the year ended April 30, 2024.

Supplemental information related to leases is as follows as of and for the years ended April 30:

	<u>2024</u>	<u>2023</u>
Weighted-average remaining lease term - operating	1.98 years	2.66 years
Weighted-average discount rate - operating	2.85%	2.85%
Weighted-average remaining lease term - finance	5.25 years	—
Weighted-average discount rate - finance	6.91%	—

Lease cash flow and supplemental noncash information are as follows for the years ended April 30:

	<u>2024</u>	<u>2023</u>
Operating leases – operating cash flows (fixed payments)	\$224,997	\$219,752
Operating leases – new operating lease right-of-use assets and lease obligations	86,032	659,400
Finance leases – operating cash flows (fixed payments)	96,750	—
Finance leases – new finance lease assets and lease obligations	456,046	—

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

**14. Leases (Continued)**

A summary of the future lease payments under lease liabilities is as follows at April 30, 2024:

	<u>Operating Lease</u>	<u>Finance Lease</u>
2025	\$ 222,637	\$ 129,000
2026	145,245	88,522
2027	34,509	75,029
2028	3,397	75,029
2029	-	75,029
Thereafter	<u>-</u>	<u>18,757</u>
	405,788	461,366
Less imputed interested	<u>(10,919)</u>	<u>(67,281)</u>
Total liabilities	394,869	394,085
Less current portion	<u>(215,330)</u>	<u>(123,922)</u>
	<u>\$ 179,539</u>	<u>\$ 270,163</u>

**15. Volunteer Services**

Total volunteer service hours provided annually to the Hospital were 2,083 and 2,210 in 2024 and 2023, 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>2024</u>			
Salaries and wages	\$40,245,807	\$11,013,154	\$51,258,961
Supplies	17,370,345	11,148,888	28,519,233
Healthcare provider tax	-	1,246,296	1,246,296
Depreciation and amortization	2,006,786	821,777	2,828,563
Interest	290,723	119,051	409,774
Cottages and inn expenses	<u>6,132,899</u>	<u>-</u>	<u>6,132,899</u>
	<u>\$66,046,560</u>	<u>\$24,349,166</u>	<u>\$90,395,726</u>



# MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended April 30, 2024 and 2023

### 16. Functional Expenses (Continued)

	<u>Healthcare</u>	<u>General and Administrative</u>	<u>Total</u>
<u>2023</u>			
Salaries and wages	\$39,310,598	\$10,862,049	\$50,172,647
Supplies	18,046,568	9,680,566	27,727,134
Healthcare provider tax	–	1,253,674	1,253,674
Depreciation and amortization	1,852,758	763,530	2,616,288
Interest	290,085	119,545	409,630
Cottages and inn expenses	<u>5,648,338</u>	<u>–</u>	<u>5,648,338</u>
	<u>\$65,148,347</u>	<u>\$22,679,364</u>	<u>\$87,827,711</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, 2024 and 2023

**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>2024</u>				
Cash and cash equivalents	\$ 7,387,715	\$ —	\$ —	\$ 7,387,715
Exchange traded funds	1,174,987	—	—	1,174,987
Mutual funds	9,534,437	—	—	9,534,437
Certificates of deposit	—	249,625	—	249,625
U.S. treasury securities	711,783	—	—	711,783
Corporate bonds	—	286,447	—	286,447
Investments to fund deferred compensation and related liability (mutual funds)	<u>3,362,352</u>	<u>—</u>	<u>—</u>	<u>3,362,352</u>
	<u>\$22,171,274</u>	<u>\$536,072</u>	<u>\$ —</u>	22,707,346
Beneficial interest measured at net asset value:				
Perpetual trusts				<u>1,854,875</u>
				<u>\$24,562,221</u>
<u>2023</u>				
Cash and cash equivalents	\$ 4,447,167	\$ —	\$ —	\$ 4,447,167
Exchange traded funds	360,807	—	—	360,807
Mutual funds	8,511,071	—	—	8,511,071
Certificates of deposit	—	244,812	—	244,812
U.S. treasury securities	3,369,502	—	—	3,369,502
Corporate bonds	—	308,559	—	308,559
Government bonds	49,677	—	—	49,677
Investments to fund deferred compensation and related liability (mutual funds)	<u>3,450,568</u>	<u>—</u>	<u>—</u>	<u>3,450,568</u>
	<u>\$20,188,792</u>	<u>\$553,371</u>	<u>\$ —</u>	20,742,163
Beneficial interest measured at net asset value:				
Perpetual trusts				<u>1,770,236</u>
				<u>\$22,512,399</u>

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Years Ended April 30, 2024 and 2023

**18. Liquidity and Availability**

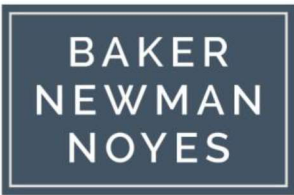
Financial assets available for general expenditure within one year of the balance sheet date consist of the following at April 30, 2024:

Cash and cash equivalents	\$ 6,239,476
Accounts receivable	14,711,984
Board designated investments	<u>11,388,455</u>
	<u>\$32,339,915</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 a line of credit. See Note 8 for information about the Organization's line 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, 2024 and 2023, and have issued our report thereon, which contains an unmodified opinion on those consolidated financial statements. See pages 1 and 2. Our audits were 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 changes in net assets (deficit) 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 12, 2024

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

CONSOLIDATING BALANCE SHEETS

April 30, 2024 and 2023

ASSETS

	2024				2023			
	Mount Desert Island <u>Hospital</u>	Consolidated Birch Bay Retirement Village	Elimi- nations	<u>Total</u>	Mount Desert Island <u>Hospital</u>	Consolidated Birch Bay Retirement Village	Elimi- nations	<u>Total</u>
<b>Current assets:</b>								
Cash and cash equivalents	\$ 5,143,507	\$ 1,095,969	\$ —	\$ 6,239,476	\$ 7,105,457	\$ 1,005,627	\$ —	\$ 8,111,084
Accounts receivable	14,653,124	58,860	—	14,711,984	15,467,797	78,688	—	15,546,485
Due from Birch Bay Village Association	183,733	80,778	—	264,511	81,593	128,350	—	209,943
Estimated third-party payor settlements	115,964	27	—	115,991	—	—	—	—
Inventories	627,030	—	—	627,030	530,674	—	—	530,674
Prepaid expenses and other current assets	928,730	29,106	—	957,836	656,444	37,752	—	694,196
Current portion of pledges receivable	3,876,781	—	—	3,876,781	1,211,800	—	—	1,211,800
Current portion of trustee held funds	<u>576,682</u>	<u>478,017</u>	—	<u>1,054,699</u>	<u>301,288</u>	<u>456,433</u>	—	<u>757,721</u>
Total current assets	26,105,551	1,742,757	—	27,848,308	25,355,053	1,706,850	—	27,061,903
<b>Assets limited as to use or donor restricted:</b>								
Board-designated funds	11,388,455	—	—	11,388,455	11,858,247	—	—	11,858,247
Donor-restricted funds	<u>7,916,074</u>	<u>40,465</u>	—	<u>7,956,539</u>	<u>5,392,286</u>	<u>41,062</u>	—	<u>5,433,348</u>
Total investments	19,304,529	40,465	—	19,344,994	17,250,533	41,062	—	17,291,595
Trustee held funds, net of current portion	3,254,330	—	—	3,254,330	—	—	—	—
Grant receivable	5,000,000	—	—	5,000,000	—	—	—	—
Pledges receivable, net of current portion	10,566,249	—	—	10,566,249	1,383,520	—	—	1,383,520
Beneficial interest in perpetual trusts	<u>1,854,875</u>	—	—	<u>1,854,875</u>	<u>1,770,236</u>	—	—	<u>1,770,236</u>
Total assets limited as to use or donor restricted	39,979,983	40,465	—	40,020,448	20,404,289	41,062	—	20,445,351
Due from affiliates	1,268,498	—	(1,268,498)	—	1,311,794	—	(1,311,794)	—
Property and equipment, net	33,739,385	4,290,238	—	38,029,623	26,698,856	4,541,409	—	31,240,265
Right-of-use assets	387,238	—	—	387,238	513,586	—	—	513,586
<b>Other assets:</b>								
Resident priority and construction deposits	—	352,489	—	352,489	—	313,136	—	313,136
Investments to fund deferred compensation	3,362,352	—	—	3,362,352	3,450,568	—	—	3,450,568
Other assets	<u>1,180,078</u>	<u>141,424</u>	—	<u>1,321,502</u>	<u>2,299,500</u>	<u>150,701</u>	—	<u>2,450,201</u>
Total other assets	4,542,430	493,913	—	5,036,343	5,750,068	463,837	—	6,213,905
Total assets	<u>\$106,023,085</u>	<u>\$6,567,373</u>	<u>\$(1,268,498)</u>	<u>\$111,321,960</u>	<u>\$80,033,646</u>	<u>\$6,753,158</u>	<u>\$(1,311,794)</u>	<u>\$85,475,010</u>

LIABILITIES AND NET ASSETS (DEFICIT)

	2024				2023			
	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	\$ 6,525,391	\$ 341,035	\$ -	\$ 6,866,426	\$ 5,174,054	\$ 345,751	\$ -	\$ 5,519,805
Accrued payroll and benefit related liabilities	6,282,714	313,335	-	6,596,049	5,691,334	311,641	-	6,002,975
Estimated third-party payor settlements	-	-	-	-	4,314,714	-	-	4,314,714
Deferred revenue	33,750	-	-	33,750	3,620	-	-	3,620
Current portion of long-term obligations	508,738	490,000	-	998,738	378,578	455,000	-	833,578
Current portion of lease obligations - finance	123,922	-	-	123,922	-	-	-	-
Current portion of lease obligations - operating	215,330	-	-	215,330	200,919	-	-	200,919
Total current liabilities	<u>13,689,845</u>	<u>1,144,370</u>	<u>-</u>	<u>14,834,215</u>	<u>15,763,219</u>	<u>1,112,392</u>	<u>-</u>	<u>16,875,611</u>
Due to affiliates	-	1,268,498	(1,268,498)	-	-	1,311,794	(1,311,794)	-
Resident priority and construction deposits	-	352,489	-	352,489	-	313,136	-	313,136
Long-term obligations, less current portion	14,794,521	3,858,929	-	18,653,450	8,514,634	4,413,497	-	12,928,131
Lease obligations, net of current portion - finance	270,163	-	-	270,163	-	-	-	-
Lease obligations, net of current portion - operating	179,539	-	-	179,539	319,482	-	-	319,482
Deferred compensation	3,362,352	-	-	3,362,352	3,450,568	-	-	3,450,568
Other long-term liabilities	<u>1,406,123</u>	<u>-</u>	<u>-</u>	<u>1,406,123</u>	<u>2,421,167</u>	<u>-</u>	<u>-</u>	<u>2,421,167</u>
Total liabilities	<u>33,702,543</u>	<u>6,624,286</u>	<u>(1,268,498)</u>	<u>39,058,331</u>	<u>30,469,070</u>	<u>7,150,819</u>	<u>(1,311,794)</u>	<u>36,308,095</u>
Net assets (deficit):								
Without donor restrictions	43,106,563	(97,378)	-	43,009,185	39,806,734	(438,723)	-	39,368,011
With donor restrictions	29,213,979	40,465	-	29,254,444	9,757,842	41,062	-	9,798,904
Total net assets (deficit)	<u>72,320,542</u>	<u>(56,913)</u>	<u>-</u>	<u>72,263,629</u>	<u>49,564,576</u>	<u>(397,661)</u>	<u>-</u>	<u>49,166,915</u>
Total liabilities and net assets (deficit)	<u>\$106,023,085</u>	<u>\$6,567,373</u>	<u>\$(1,268,498)</u>	<u>\$111,321,960</u>	<u>\$80,033,646</u>	<u>\$6,753,158</u>	<u>\$(1,311,794)</u>	<u>\$85,475,010</u>

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

**CONSOLIDATING STATEMENTS OF OPERATIONS**

Years Ended April 30, 2024 and 2023

	2024				2023			
	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	\$80,342,320	\$ —	\$ —	\$80,342,320	\$74,794,193	\$ —	\$ —	\$74,794,193
Resident revenue	—	5,836,264	—	5,836,264	—	5,321,932	—	5,321,932
Commission revenue	—	39,600	—	39,600	—	109,600	—	109,600
Other revenue	2,016,749	453,800	(192,888)	2,277,661	2,546,797	441,005	(130,800)	2,857,002
Gifts and bequests	1,466,820	—	—	1,466,820	1,562,987	—	—	1,562,987
Net assets released from restrictions used for operations	411,799	82,422	—	494,221	498,319	32,766	—	531,085
Total revenues without donor restrictions, gains and other support	84,237,688	6,412,086	(192,888)	90,456,886	79,402,296	5,905,303	(130,800)	85,176,799
Expenses:								
Salaries and employee benefits	51,258,961	3,906,939	—	55,165,900	50,172,647	3,820,169	—	53,992,816
Supplies and other expenses	28,712,121	1,617,862	(192,888)	30,137,095	27,857,934	1,216,246	(130,800)	28,943,380
Healthcare provider tax	1,246,296	—	—	1,246,296	1,253,674	—	—	1,253,674
Depreciation and amortization	2,828,563	392,923	—	3,221,486	2,616,288	379,521	—	2,995,809
Interest	409,774	215,175	—	624,949	409,630	232,402	—	642,032
Total expenses	84,455,715	6,132,899	(192,888)	90,395,726	82,310,173	5,648,338	(130,800)	87,827,711
Operating (loss) income	(218,027)	279,187	—	61,160	(2,907,877)	256,965	—	(2,650,912)
Other income (loss):								
Interest income	503,504	5,894	—	509,398	26,192	5,189	—	31,381
Recognized gain in fair value of investments	936,572	—	—	936,572	414,247	—	—	414,247
(Loss) gain on sale of property and equipment	(222,821)	5,000	—	(217,821)	(243,892)	—	—	(243,892)
Other miscellaneous expense	(974,696)	—	—	(974,696)	(919,517)	—	—	(919,517)
Gain on refinancing of long-term obligations	—	—	—	—	—	43,682	—	43,682
Total other income (loss)	242,559	10,894	—	253,453	(722,970)	48,871	—	(674,099)
Excess (deficiency) of revenues, gains and other support over expenses	24,532	290,081	—	314,613	(3,630,847)	305,836	—	(3,325,011)
Net assets released for purchase of property and equipment	3,275,297	51,264	—	3,326,561	173,604	—	—	173,604
Change in net assets without donor restrictions	\$ 3,299,829	\$ 341,345	\$ —	\$ 3,641,174	\$ (3,457,243)	\$ 305,836	\$ —	\$ (3,151,407)

**MOUNT DESERT ISLAND HOSPITAL AND SUBSIDIARIES**

**CONSOLIDATING STATEMENTS OF CHANGES IN NET ASSETS (DEFICIT)**

Years Ended April 30, 2024 and 2023

	2024				2023			
	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 (deficiency) of revenues, gains and other support over expenses	\$ 24,532	\$ 290,081	\$ —	\$ 314,613	\$ (3,630,847)	\$ 305,836	\$ —	\$ (3,325,011)
Net assets released from restrictions used for purchase of property and equipment	<u>3,275,297</u>	<u>51,264</u>	<u>—</u>	<u>3,326,561</u>	<u>173,604</u>	<u>—</u>	<u>—</u>	<u>173,604</u>
Change in net assets without donor restrictions	3,299,829	341,345	—	3,641,174	(3,457,243)	305,836	—	(3,151,407)
Net assets with donor restrictions:								
Restricted contributions	23,058,594	133,089	—	23,191,683	1,591,859	41,242	—	1,633,101
Net assets released from restrictions	<u>(3,687,096)</u>	<u>(133,686)</u>	<u>—</u>	<u>(3,820,782)</u>	<u>(671,923)</u>	<u>(32,766)</u>	<u>—</u>	<u>(704,689)</u>
Change in value of beneficial interest in perpetual trust	<u>84,639</u>	<u>—</u>	<u>—</u>	<u>84,639</u>	<u>(79,071)</u>	<u>—</u>	<u>—</u>	<u>(79,071)</u>
Change in net assets with donor restrictions	<u>19,456,137</u>	<u>(597)</u>	<u>—</u>	<u>19,455,540</u>	<u>840,865</u>	<u>8,476</u>	<u>—</u>	<u>849,341</u>
Change in net assets	22,755,966	340,748	—	23,096,714	(2,616,378)	314,312	—	(2,302,066)
Net assets (deficit), beginning of year	<u>49,564,576</u>	<u>(397,661)</u>	<u>—</u>	<u>49,166,915</u>	<u>52,180,954</u>	<u>(711,973)</u>	<u>—</u>	<u>51,468,981</u>
Net assets (deficit), end of year	<u>\$72,320,542</u>	<u>\$ (56,913)</u>	<u>\$ —</u>	<u>\$72,263,629</u>	<u>\$49,564,576</u>	<u>\$ (397,661)</u>	<u>\$ —</u>	<u>\$49,166,915</u>



**BIRCH BAY RETIREMENT VILLAGE AND SUBSIDIARY**

**CONSOLIDATING BALANCE SHEETS**

April 30, 2024 and 2023

ASSETS

	2024		2023	
	Birch Bay Retirement Village	Mount Desert Management Company	Birch Bay Retirement Village	Mount Desert Management Company
<b>Current assets:</b>				
Cash and cash equivalents	\$ 326,985	\$768,984	\$ 258,266	\$747,361
Accounts receivable	56,975	1,885	76,803	1,885
Due from Birch Bay Village Association	80,778	—	129,465	(1,115)
Estimated third-party payor settlements	27	—	—	—
Prepaid expenses and other current assets	29,106	—	37,752	—
Trustee held funds	<u>478,017</u>	<u>—</u>	<u>456,433</u>	<u>—</u>
Total current assets	971,888	770,869	958,719	748,131
				1,706,850
<b>Assets limited as to use or donor restricted:</b>				
Donor-restricted funds	40,465	—	41,062	—
Due from affiliates	850	(850)	1,700	(1,700)
Property and equipment, net	4,290,238	—	4,541,409	—
				4,541,409
<b>Other assets:</b>				
Resident priority and construction deposits	352,489	—	313,136	—
Other assets	<u>141,424</u>	<u>—</u>	<u>150,701</u>	<u>—</u>
Total other assets	493,913	—	463,837	—
				463,837
Total assets	<u>\$5,797,354</u>	<u>\$770,019</u>	<u>\$ 6,006,727</u>	<u>\$746,431</u>
				<u>\$6,753,158</u>

LIABILITIES AND NET (DEFICIT) ASSETS

	2024			2023		
	Birch Bay Retirement Village	Mount Desert Management Company	Total	Birch Bay Retirement Village	Mount Desert Management Company	Total
Current liabilities:						
Accounts payable and accrued expenses	\$ 339,050	\$ 1,985	\$ 341,035	\$ 339,604	\$ 6,147	\$ 345,751
Accrued payroll and benefit related liabilities	313,335	—	313,335	311,641	—	311,641
Current portion of long-term obligations	<u>490,000</u>	<u>—</u>	<u>490,000</u>	<u>455,000</u>	<u>—</u>	<u>455,000</u>
Total current liabilities	1,142,385	1,985	1,144,370	1,106,245	6,147	1,112,392
Due to affiliates	1,268,498	—	1,268,498	1,311,794	—	1,311,794
Resident priority and construction deposits	352,489	—	352,489	313,136	—	313,136
Long-term obligations, less current portion	<u>3,858,929</u>	<u>—</u>	<u>3,858,929</u>	<u>4,413,497</u>	<u>—</u>	<u>4,413,497</u>
Total liabilities	6,622,301	1,985	6,624,286	7,144,672	6,147	7,150,819
Net (deficit) assets:						
Without donor restrictions	(865,412)	768,034	(97,378)	(1,179,007)	740,284	(438,723)
With donor restrictions	<u>40,465</u>	<u>—</u>	<u>40,465</u>	<u>41,062</u>	<u>—</u>	<u>41,062</u>
Total net (deficit) assets	<u>(824,947)</u>	<u>768,034</u>	<u>(56,913)</u>	<u>(1,137,945)</u>	<u>740,284</u>	<u>(397,661)</u>
Total liabilities and net (deficit) assets	<u>\$ 5,797,354</u>	<u>\$ 770,019</u>	<u>\$ 6,567,373</u>	<u>\$ 6,006,727</u>	<u>\$ 746,431</u>	<u>\$ 6,753,158</u>

## BIRCH BAY RETIREMENT VILLAGE AND SUBSIDIARY

### CONSOLIDATING STATEMENTS OF OPERATIONS

Years Ended April 30, 2024 and 2023

	2024		2023	
	Birch Bay Retirement Village	Mount Desert Management Company	Birch Bay Retirement Village	Mount Desert Management Company
Revenues without donor restrictions, gains and other support:				<u>Total</u>
Resident revenue	\$ 5,836,264	\$ —	\$ 5,321,932	\$ 5,321,932
Commission revenue	—	39,600	—	109,600
Other revenue	453,800	—	441,005	441,005
Net assets released from restrictions used for operations	<u>82,422</u>	<u>—</u>	<u>32,766</u>	<u>32,766</u>
Total revenues without donor restrictions, gains and other support	6,372,486	39,600	5,795,703	5,905,303
Expenses:				
Salaries and employee benefits	3,906,939	—	3,820,169	3,820,169
Supplies and other expenses	1,606,012	11,850	1,202,464	1,216,246
Depreciation and amortization	392,923	—	379,521	379,521
Interest	215,175	—	232,402	232,402
Total expenses	<u>6,121,049</u>	<u>11,850</u>	<u>5,634,556</u>	<u>5,648,338</u>
Operating income	251,437	27,750	161,147	256,965
Other income:				
Interest income	5,894	—	5,189	5,189
Gain on sale of property and equipment	5,000	—	—	—
Gain on refinance of long-term obligations	—	—	43,682	43,682
Total other income	<u>10,894</u>	<u>—</u>	<u>48,871</u>	<u>48,871</u>
Excess of revenues, gains and other support over expenses	262,331	27,750	210,018	305,836
Net assets released for purchase of property and equipment	<u>51,264</u>	<u>—</u>	<u>—</u>	<u>—</u>
Change in net assets without donor restrictions	<u>\$ 313,595</u>	<u>\$ 27,750</u>	<u>\$ 210,018</u>	<u>\$ 305,836</u>