

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

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

2020

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

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

B 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	C Name of organization MIDDLESEX HOSPITAL Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite 28 CRESCENT STREET City or town, state or province, country, and ZIP or foreign postal code MIDDLETOWN, CT 06457	D Employer identification number 06-0646718 E Telephone number (860) 358-6395
I 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		G Gross receipts \$ 532,675,013.
J Website: ▶ WWW.MIDDLESEXHOSPITAL.ORG		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions H(c) Group exemption number ▶
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1895 M State of legal domicile: CT

Part I Summary

	1	Briefly describe the organization's mission or most significant activities: A NON-PROFIT, ACUTE CARE, COMMUNITY HOSPITAL IN MIDDLETOWN, CT. (SEE SCHEDULE O)		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
Activities & Governance	3	Number of voting members of the governing body (Part VI, line 1a)	3	13
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	12
	5	Total number of individuals employed in calendar year 2020 (Part V, line 2a)	5	3604
	6	Total number of volunteers (estimate if necessary)	6	247
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	2,235,202.
	7b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.
	Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year
9		Program service revenue (Part VIII, line 2g)	5,676,067.	7,719,795.
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	425,748,491.	431,695,661.
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	7,476,106.	16,852,994.
12		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,916,024.	9,755,684.
			444,816,688.	466,024,134.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	127,025.	85,000.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	239,978,052.	251,211,773.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,137,148.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	179,130,254.	189,071,954.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	419,235,331.	440,368,727.
	19	Revenue less expenses. Subtract line 18 from line 12	25,581,357.	25,655,407.
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	619,190,364.	628,027,463.
	22	Net assets or fund balances. Subtract line 21 from line 20	220,705,076.	208,628,151.
		398,485,288.	419,399,312.	

Part II Signature Block

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

Sign Here	Signature of officer SUSAN MARTIN, VP FINANCE & TREASURER Type or print name and title	Date
Paid Preparer Use Only	Print/Type preparer's name MARY ANTONETTI	Preparer's signature Date Check <input type="checkbox"/> if self-employed PTIN P00431862
	Firm's name ▶ MARCUM LLP Firm's address ▶ 555 LONG WHARF DRIVE NEW HAVEN, CT 06511	Firm's EIN ▶ 11-1986323 Phone no. (203) 781-9600

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: MIDDLESEX HOSPITAL EXISTS TO PROVIDE THE SAFEST, HIGHEST-QUALITY HEALTH CARE AND THE BEST EXPERIENCE POSSIBLE FOR OUR COMMUNITY. (CONTINUED ON SCHEDULE O)

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 \$ 391,265,347. including grants of \$ 85,000.) (Revenue \$ 439,949,446.) IN MARCH OF 2020, MIDDLESEX HOSPITAL AS PART OF MIDDLESEX HEALTH'S COMMUNITY HEALTH AND WELL-BEING BASED WORK SHIFTED DRAMATICALLY TO ADDRESS THE COVID-19 PANDEMIC AND RESPOND TO COMMUNITY LEVEL NEEDS. MIDDLESEX HOSPITAL CONTINUES TO GO ABOVE AND BEYOND TO PROVIDE THE SAFEST POSSIBLE CARE TO ALL PATIENTS, WHETHER OR NOT THEIR ILLNESS IS RELATED TO THE CORONAVIRUS. MIDDLESEX HOSPITAL CONTINUES TO PROVIDE UPDATES AND ACCESS TO RESOURCES TO HELP MEMBERS OF THE COMMUNITY STAY SAFE AND HEALTHY DURING THESE CHALLENGING TIMES. ARMED WITH SKILLED STAFF, PROGRESSIVE DIAGNOSTIC TOOLS AND ADVANCED SURGICAL TECHNIQUES, THE HOSPITAL WAS WELL POSITIONED TO ENSURE A COMFORTABLE, SAFE ENVIRONMENT FOR EXCEPTIONAL MEDICAL TREATMENT AND RECOVERY. (CONTINUED ON SCHEDULE O)

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 391,265,347.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

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

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c 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)

		Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	2a		3604
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O		
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N.	X	
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.		X

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
1a	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.		
	1a 13		
b	Enter the number of voting members included on line 1a, above, who are independent		
	1b 12		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?	X	
7a	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	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O		X

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
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?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	X	
b	Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).	X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	X	
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?	X	

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **▶ CT**
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records **▶**
SHANNON ST HILAIRE - (860) 358-6000
28 CRESCENT STREET, MIDDLETOWN, CT 06457

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

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

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

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

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

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) VINCENT CAPECE, JR. PRESIDENT/CEO	40.00 4.00	X		X				1,396,367.	0.	311,526.
(2) JESSE WAGNER, MD VP QUALITY AND PATIENT SAFETY	40.00 0.00				X			694,115.	0.	121,976.
(3) SUSAN MARTIN VP FINANCE/TREASURER	40.00 4.00			X				698,966.	0.	80,814.
(4) EVAN JACKSON VP STRATEGIC PLANNING AND CIO	40.00 0.00				X			531,668.	0.	94,773.
(5) THEODORE HARTENSTEIN MEDICAL DIRECTOR, UTILIZATION MGMT	40.00 0.00					X		564,142.	0.	61,232.
(6) DAVID GIUFFRIDA VP FACILITIES AND SUPPORT SERVICES	40.00 0.00				X			472,282.	0.	81,598.
(7) JONATHAN BANKOFF CHAIRMAN EMERGENCY MEDICINE	40.00 0.00				X			480,985.	0.	71,062.
(8) JEFFREY SHELTON CHAIRMAN DEPT PSYCH	40.00 0.00					X		446,526.	0.	59,569.
(9) BRIAN MCGUIRE MEDICAL DIRECTOR ED	40.00 0.00					X		430,415.	0.	63,467.
(10) ALAN DOUGLASS DIRECTOR FAMILY MED RESIDENCY PROG	40.00 0.00					X		398,696.	0.	87,318.
(11) DAVID COSENTINO CHIEF MEDICAL INFORMATION OFFICER	40.00 0.00				X			388,912.	0.	83,071.
(12) JACQUELYN CALAMARI VP PATIENT CARE SERVICES/CNO	40.00 0.00						X	387,647.	0.	60,371.
(13) TODD BISHOP CHIEF DEPT OF MED	40.00 0.00				X			423,987.	0.	19,500.
(14) DONNA STRONESKI VP HUMAN RESOURCES	40.00 0.00				X			358,723.	0.	62,502.
(15) DAVID C. BENOIT DIRECTOR	1.00 3.00	X						0.	0.	0.
(16) JEAN M. D'AQUILA DIRECTOR	1.00 4.00	X						0.	0.	0.
(17) JOHN J. GAUTHIER DIRECTOR	1.00 3.00	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) ROBERT C. HINTON DIRECTOR	1.00 3.00	X						0.	0.	0.
(19) CHANDLER J. HOWARD VICE CHAIRMAN	1.00 3.00	X		X				0.	0.	0.
(20) JONATHAN D. LEVINE, MD SECRETARY	1.00 4.00	X		X				0.	0.	0.
(21) MARK D. LORENZE, MD ASST SECRETARY	1.00 3.00	X		X				0.	0.	0.
(22) BRUCE S. MACMILLIAN CHAIRMAN	1.00 4.00	X		X				0.	0.	0.
(23) DARRELL G. PATASKA DIRECTOR	1.00 3.00	X						0.	0.	0.
(24) SABRA R. PURTILL DIRECTOR	1.00 3.00	X						0.	0.	0.
(25) CHRISTINE H. REPASY DIRECTOR	1.00 3.00	X						0.	0.	0.
(26) GARY M. WALLACE DIRECTOR	1.00 3.00	X						0.	0.	0.
1b Subtotal								7,673,431.	0.	1258779.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								7,673,431.	0.	1258779.

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 556

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	X	
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <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
EPIC SYSTEMS 1979 MILKY WAY, VERONA, WI 53593	TECHNOLOGY SERVICES	4,244,776.
MEDICAL SOLUTIONS PO BOX 310737, DES MOINES, IA 50331	TEMPORARY LABOR SERVICES	3,930,704.
QUEST DIAGNOSTICS, INC. PO BOX 844217, BOSTON, MA 02284	LABORATORY SERVICES	3,441,828.
ACSYS INC DBA PIMACY, 1577 NEW BRITAIN AVENUE, FARMINGTON, CT 06032	MARKETING	2,390,313.
ARAMARK CORPORATION 66 OXFORD DRIVE, FRANKLIN, MA 02038	DIETARY / HOUSEKEEPING SERVICE	2,012,695.

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 102

Part VIII Statement of Revenue

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

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	183,644.				
	d Related organizations	1d					
	e Government grants (contributions)	1e	6,422,421.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	1,113,730.				
	g Noncash contributions included in lines 1a-1f	1g	\$ 52,600.				
	h Total. Add lines 1a-1f			7,719,795.			
Program Service Revenue	2 a NET PATIENT SERVICE REVENUE	Business Code 622110	427,202,801.	427,202,801.			
	b NET INCOME FROM JOINT VENTURES	900099	2,274,199.	2,274,199.			
	c SPECIMEN LAB	621500	2,218,661.		2,218,661.		
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			431,695,661.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		3,066,976.			3,066,976.	
	4 Income from investment of tax-exempt bond proceeds		169.			169.	
	5 Royalties						
	6 a Gross rents	(i) Real	1,039,782.				
		(ii) Personal					
		6b Less: rental expenses	781,315.				
	6c Rental income or (loss)	258,467.					
	d Net rental income or (loss)		258,467.			258,467.	
	7 a Gross amount from sales of assets other than inventory	(i) Securities	79,564,938.				
		(ii) Other					
		7b Less: cost or other basis and sales expenses	65,779,089.				
	7c Gain or (loss)	13,785,849.					
	d Net gain or (loss)		13,785,849.			13,785,849.	
8 a Gross income from fundraising events (not including \$ 183,644. of contributions reported on line 1c). See Part IV, line 18		96,800.					
	8b Less: direct expenses	90,475.					
c Net income or (loss) from fundraising events		6,325.			6,325.		
9 a Gross income from gaming activities. See Part IV, line 19							
	9b Less: direct expenses						
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances							
	10b Less: cost of goods sold						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue	11 a PURCHASE DISCOUNTS	Business Code 900099	1,275,511.	1,275,511.			
	b CAFETERIA REVENUE	722514	1,095,566.		1,095,566.		
	c INSURANCE PROCEEDS	900099	125,000.			125,000.	
	d All other revenue	900099	6,994,815.	6,978,274.	16,541.		
	e Total. Add lines 11a-11d			9,490,892.			
12 Total revenue. See instructions			466,024,134.	437,730,785.	2,235,202.	18,338,352.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...	85,000.	85,000.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
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	5,518,333.	4,414,666.	1,103,667.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	403,979.	403,979.		
7 Other salaries and wages	204,514,162.	186,200,128.	18,314,034.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	10,268,724.	9,525,410.	743,314.	
9 Other employee benefits	16,481,438.	15,180,513.	1,300,925.	
10 Payroll taxes	14,025,137.	12,903,126.	1,122,011.	
11 Fees for services (nonemployees):				
a Management	2,130,272.	982,060.	11,064.	1,137,148.
b Legal	372,564.		372,564.	
c Accounting	188,876.		188,876.	
d Lobbying	129,842.		129,842.	
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	231,159.		231,159.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	39,104,589.	33,486,510.	5,618,079.	
12 Advertising and promotion	3,893,001.	36,960.	3,856,041.	
13 Office expenses	7,067,868.	5,204,437.	1,863,431.	
14 Information technology	10,265,526.	6,167,490.	4,098,036.	
15 Royalties				
16 Occupancy	7,902,605.	3,936,757.	3,965,848.	
17 Travel	739,958.	721,448.	18,510.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings	482,017.	408,420.	73,597.	
20 Interest	2,154,233.	2,154,233.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	28,455,799.	24,952,660.	3,503,139.	
23 Insurance	4,496,295.	4,490,429.	5,866.	
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 MEDICAL SUPPLIES	44,531,917.	44,531,662.	255.	
b STATE HOSPITAL TAX	31,074,824.	31,074,824.		
c FOOD	1,215,448.	1,215,388.	60.	
d DUES	722,539.	152,798.	569,741.	
e All other expenses	3,912,622.	3,036,449.	876,173.	
25 Total functional expenses. Add lines 1 through 24e	440,368,727.	391,265,347.	47,966,232.	1,137,148.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				
Check here <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) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	1,966,108.	1	2,647,764.
	2 Savings and temporary cash investments	121,960,697.	2	94,350,554.
	3 Pledges and grants receivable, net	670,785.	3	611,199.
	4 Accounts receivable, net	47,401,339.	4	49,378,240.
	5 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		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net	446,155.	7	257,309.
	8 Inventories for sale or use	2,013,908.	8	2,228,173.
	9 Prepaid expenses and deferred charges	3,329,192.	9	4,832,950.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 659,020,904.		
	b Less: accumulated depreciation	10b 431,063,021.	10c	227,957,883.
	11 Investments - publicly traded securities	241,399,045.	11	219,174,793.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets	488,467.	14	431,000.
	15 Other assets. See Part IV, line 11	12,042,680.	15	26,157,598.
16 Total assets. Add lines 1 through 15 (must equal line 33)	619,190,364.	16	628,027,463.	
Liabilities	17 Accounts payable and accrued expenses	69,518,795.	17	65,044,555.
	18 Grants payable		18	
	19 Deferred revenue	732,577.	19	866,760.
	20 Tax-exempt bond liabilities	35,653,781.	20	31,081,346.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 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		22	
	23 Secured mortgages and notes payable to unrelated third parties	32,976,505.	23	25,376,327.
	24 Unsecured notes and loans payable to unrelated third parties	6,000,000.	24	0.
	25 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	75,823,418.	25	86,259,163.
	26 Total liabilities. Add lines 17 through 25	220,705,076.	26	208,628,151.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	379,050,203.	27	398,511,116.
	28 Net assets with donor restrictions	19,435,085.	28	20,888,196.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	398,485,288.	32	419,399,312.
33 Total liabilities and net assets/fund balances	619,190,364.	33	628,027,463.	

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	466,024,134.
2	Total expenses (must equal Part IX, column (A), line 25)	2	440,368,727.
3	Revenue less expenses. Subtract line 2 from line 1	3	25,655,407.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	398,485,288.
5	Net unrealized gains (losses) on investments	5	12,081,797.
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	-16,823,180.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	419,399,312.

Part XII Financial Statements and Reporting

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

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

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

Form 990 (2020)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2020

Open to Public Inspection

Name of the organization **MIDDLESEX HOSPITAL** Employer identification number **06-0646718**

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 or 990-EZ).)
- 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 in 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		
Total						

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

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 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						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

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

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section D. Computation of Investment Income Percentage

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

19a 33 1/3% support tests - 2020. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

	Yes	No
1 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>		
2 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>		
3a 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 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>		
c 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>		
4a 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 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>		
c 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>		
5a 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 Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 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>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a 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 Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a 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 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
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in lines 11b and 11c below, the governing body of a supported organization?		
11a		
b A family member of a person described in line 11a above?		
11b		
c A 35% controlled entity of a person described in line 11a or 11b above? <i>If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.</i>		
11c		

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

	Yes	No
1 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?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
2		
3 By reason of the relationship described in line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		
3		

Section E. Type III Functionally Integrated Supporting Organizations

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

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	Adjusted Net Income (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	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (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	Distributable Amount. 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	Total annual distributions. 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 2020 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-2020	(iii) Distributable Amount for 2020
1 Distributable amount for 2020 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2020 (reasonable cause required - explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2020			
a From 2015			
b From 2016			
c From 2017			
d From 2018			
e From 2019			
f Total of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2020 distributable amount			
i Carryover from 2015 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2020 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2020 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2020, 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 2020. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7 Excess distributions carryover to 2021. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2016			
b Excess from 2017			
c Excess from 2018			
d Excess from 2019			
e Excess from 2020			

Schedule A (Form 990 or 990-EZ) 2020

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 C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2020

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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

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

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

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

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

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

Name of organization MIDDLESEX HOSPITAL	Employer identification number 06-0646718
---	---

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

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

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

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

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

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

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

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

LHA
032041 12-02-20

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

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

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

Yes No

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

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

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

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
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		129,842.
j Total. Add lines 1c through 1i			129,842.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to 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."

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

Part IV Supplemental Information

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:

MIDDLESEX HOSPITAL PAYS DUES TO BOTH THE AMERICAN HOSPITAL ASSOCIATION (AHA) AND THE CONNECTICUT HOSPITAL ASSOCIATION (CHA). A PERCENTAGE OF THOSE DUES FUNDED LOBBYING ACTIVITIES DURING THE FISCAL YEAR. THE PORTION OF AHA DUES TOTALED \$12,514 AND THE PORTION OF CHA DUES TOTALED \$53,828. IN ADDITION, MIDDLESEX HOSPITAL CONTRACTED WITH TWO

Part IV Supplemental Information *(continued)*

CONSULTANTS WHO PERFORMED LOBBYING ACTIVITIES. THOSE EXPENSES TOTALED

\$63,500.

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

2020

Open to Public Inspection

Name of the organization **MIDDLESEX HOSPITAL** Employer identification number **06-0646718**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) Assets included in Form 990, Part X

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

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

b Assets included in Form 990, Part X

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule D (Form 990) 2020

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

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

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	139,852,000.	128,949,000.	124,738,999.	118,528,000.	103,326,000.
b Contributions	140,000.		67,000.	505,000.	451,000.
c Net investment earnings, gains, and losses	27,444,000.	11,014,000.	3,977,000.	5,702,999.	14,480,000.
d Grants or scholarships					
e Other expenditures for facilities and programs	411,000.	111,000.	-166,001.	-3,000.	-271,000.
f Administrative expenses					
g End of year balance	167,025,000.	139,852,000.	128,949,000.	124,738,999.	118,528,000.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment 92.0000 %
 - b Permanent endowment .0000 %
 - c Term endowment 8.0000 %
- 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? <input type="checkbox"/> | 3b | |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		15,442,063.		15,442,063.
b Buildings		357,495,271.	222,107,954.	135,387,317.
c Leasehold improvements		2,245,847.	2,100,572.	145,275.
d Equipment		280,483,737.	204,947,480.	75,536,257.
e Other		3,353,986.	1,907,015.	1,446,971.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				227,957,883.

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)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

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

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) THIRD PARTY ADVANCE REIMBURSEMENT	27,699,530.
(3) EST. SELF-INSURANCE LIABILITIES	25,775,768.
(4) ACCRUED RETIREMENT LIABILITIES	4,530,345.
(5) ASSET RETIREMENT OBLIGATION	580,250.
(6) THIRD-PARTY SETTLEMENTS	11,689,699.
(7) OTHER LIABILITIES	367,868.
(8) SECURITY DEPOSITS	4,172.
(9) DUE TO RELATED PARTIES	314.
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	86,259,163.

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.

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

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.

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

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:

THE WITHOUT DONOR RESTRICTIONS RECORDED IN THE BOARD-DESIGNATED (QUASI-ENDOWMENT) FUNDS ARE ASSETS SET ASIDE BY THE BOARD FOR FUTURE UNSPECIFIED USES AND TO SUPPORT EDUCATION AND OTHER PROGRAMS OVER WHICH THE BOARD RETAINS CONTROL AND MAY, AT ITS DISCRETION, SUBSEQUENTLY USE FOR OTHER PURPOSES.

PERMANENT ENDOWMENT FUNDS ARE ASSETS RECEIVED WITH THE DONOR STIPULATION THAT THE PRINCIPAL BE INVESTED IN PERPETUITY AND THAT ONLY THE INCOME EARNED THEREON IS AVAILABLE FOR SPECIFIC OR GENERAL SERVICES, SUCH AS FREE BED FUNDS AND SUPPORT OF HOSPITAL OPERATIONS. THESE ARE NOT IDENTIFIED ON THE AUDIT STATEMENTS IN THIS FASHION FOR FY2021. THEY ARE IN AS EITHER

Part XIII Supplemental Information (continued)

WITH OR WITHOUT DONOR RESTRICTIONS.

TEMPORARILY RESTRICTED ENDOWMENT FUNDS ARE ASSETS RESTRICTED BY THE DONOR EITHER AS TO PURPOSE AND/OR AS TO TIME OF EXPENDITURE, SUCH AS EDUCATION, HEALTH SERVICES AND CAPITAL PURCHASES.

PART X, LINE 2:

BELOW IS AN EXCERPT FROM FOOTNOTE 2 OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES.

THE SYSTEM ACCOUNTS FOR UNCERTAIN TAX POSITIONS WITH PROVISIONS OF FASB ASC 740, "INCOME TAXES," WHICH PROVIDES A FRAMEWORK FOR HOW COMPANIES SHOULD RECOGNIZE, MEASURE, PRESENT AND DISCLOSE UNCERTAIN TAX POSITIONS IN THEIR CONSOLIDATED FINANCIAL STATEMENTS. THE SYSTEM MAY RECOGNIZE THE TAX BENEFIT FROM AN UNCERTAIN TAX POSITION ONLY IF IT IS MORE LIKELY THAN NOT THAT THE TAX POSITION WILL BE SUSTAINED ON EXAMINATION BY THE TAXING AUTHORITIES, BASED ON THE TECHNICAL MERITS OF THE POSITION. THE SYSTEM DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS AS OF SEPTEMBER 30, 2021 AND 2020. IT IS THE SYSTEM'S POLICY TO RECORD PENALTIES AND INTEREST ASSOCIATED WITH UNCERTAIN TAX PROVISIONS AS A COMPONENT OF OPERATING EXPENSES. AS OF SEPTEMBER 30, 2021 AND 2020, THE SYSTEM DID NOT RECORD ANY PENALTIES OR INTEREST ASSOCIATED WITH UNCERTAIN TAX POSITIONS. THE SYSTEM'S PRIOR THREE TAX YEARS ARE OPEN AND SUBJECT TO EXAMINATION BY THE INTERNAL REVENUE SERVICE.

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))	
		TPC GOLF (event type)	HOSPICE GOLF (event type)	2 (total number)		
Revenue	1	Gross receipts	140,610.	98,904.	40,930.	280,444.
	2	Less: Contributions	83,700.	68,034.	31,910.	183,644.
	3	Gross income (line 1 minus line 2)	56,910.	30,870.	9,020.	96,800.
Direct Expenses	4	Cash prizes		4,090.	251.	4,341.
	5	Noncash prizes				
	6	Rent/facility costs	49,278.	8,360.		57,638.
	7	Food and beverages		11,609.	3,000.	14,609.
	8	Entertainment			200.	200.
	9	Other direct expenses	9,494.	1,093.	3,100.	13,687.
	10	Direct expense summary. Add lines 4 through 9 in column (d)				90,475.
11	Net income summary. Subtract line 10 from line 3, column (d)				6,325.	

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	Gross revenue			
	2	Cash prizes			
Direct Expenses	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7	Direct expense summary. Add lines 2 through 5 in column (d)				
8	Net gaming income summary. 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		13a	%
b An outside facility		13b	%
- 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.

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No. 1545-0047

2020

Open to Public Inspection

Name of the organization **MIDDLESEX HOSPITAL** Employer identification number **06-0646718**

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other <u>500</u> %	<input checked="" type="checkbox"/>	
c 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.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	<input checked="" type="checkbox"/>	
5a 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 If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		<input checked="" type="checkbox"/>
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a Did the organization prepare a community benefit report during the tax year?	<input checked="" type="checkbox"/>	
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
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)		1,276	6221050.	3919724.	2301326.	.52%
b Medicaid (from Worksheet 3, column a)		20,745	88742159.	58987076.	29755083.	6.76%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs		22,021	94963209.	62906800.	32056409.	7.28%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		15,222	2830075.	166,006.	2664069.	.60%
f Health professions education (from Worksheet 5)		1,080	13693863.	2069715.	11624148.	2.64%
g Subsidized health services (from Worksheet 6)		25,392	59255454.	39232033.	20023421.	4.55%
h Research (from Worksheet 7)		160	310,107.	15,205.	294,902.	.07%
i Cash and in-kind contributions for community benefit (from Worksheet 8)		1,339	404,622.	0.	404,622.	.09%
j Total. Other Benefits		43,193	76494121.	41482959.	35011162.	7.95%
k Total. Add lines 7d and 7j		65,214	171457330	104389759	67067571.	15.23%

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.

Table with 7 columns: (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. Rows include Physical improvements and housing, Economic development, Community support, Environmental improvements, Leadership development and training for community members, Coalition building, Community health improvement advocacy, Workforce development, Other, and Total.

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

Table for Section A with columns Yes and No. Row 1: Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? (Yes, No). Row 2: Enter the amount of the organization's bad debt expense. Row 3: Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy.

Section B. Medicare

Table for Section B with columns Yes and No. Row 5: Enter total revenue received from Medicare (including DSH and IME). Row 6: Enter Medicare allowable costs of care relating to payments on line 5. Row 7: Subtract line 6 from line 5. Row 8: Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit.

Section C. Collection Practices

Table for Section C with columns Yes and No. Row 9a: Did the organization have a written debt collection policy during the tax year? Row 9b: 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?

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

Table with 5 columns: (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)

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 MIDDLESEX HOSPITAL
28 CRESCENT STREET
MIDDLETOWN, CT 06457
WWW.MIDDLESEXHEALTH.ORG
000069

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 MIDDLESEX 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
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input checked="" type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>18</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C		X
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>SEE STATEMENT</u>		
b <input type="checkbox"/> Other website (list url): _____		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input checked="" type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>19</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>SEE STATEMENT</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group MIDDLESEX HOSPITAL

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:		
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200</u> % and FPG family income limit for eligibility for discounted care of <u>500</u> %		
b <input type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input checked="" type="checkbox"/> Asset level		
d <input type="checkbox"/> Medical indigency		
e <input type="checkbox"/> Insurance status		
f <input type="checkbox"/> Underinsurance status		
g <input type="checkbox"/> Residency		
h <input checked="" type="checkbox"/> Other (describe in Section C)		
14 Explained the basis for calculating amounts charged to patients?	X	
15 Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c <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		
d <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input type="checkbox"/> Other (describe in Section C)		
16 Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE STATEMENT</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE STATEMENT</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE STATEMENT</u>		
d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e <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)		
f <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)		
g <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		
h <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i <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		
j <input type="checkbox"/> Other (describe in Section C)		

Schedule H (Form 990) 2020

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group MIDDLESEX HOSPITAL

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

Policy Relating to Emergency Medical Care

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

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

Name of hospital facility or letter of facility reporting group MIDDLESEX HOSPITAL

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

Schedule H (Form 990) 2020

Part V Facility Information (continued)

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

MIDDLESEX HOSPITAL:

PART V, SECTION B, LINE 3J: IN ADDITION TO THE ELEMENTS SELECTED IN PART V, LINE 3, MIDDLESEX HOSPITAL'S MOST RECENTLY COMPLETED (2019) COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) EXAMINED HOW SOCIAL DETERMINANTS OF HEALTH AND HEALTH DISPARITIES IMPACT HEALTH OUTCOMES. THE REPORT CONTINUED TO RAISE AWARENESS ABOUT HEALTH-RELATED SOCIAL NEEDS, WELL-BEING AND QUALITY OF LIFE; HEALTH DISPARITIES; AND, VULNERABLE POPULATIONS. ACHIEVING HEALTH EQUITY THE ATTAINMENT OF THE HIGHEST LEVEL OF HEALTH FOR ALL PEOPLE STARTS WITH ASKING THE APPROPRIATE QUESTIONS RELATIVE TO DETERMINANTS OF HEALTH AND HOW THEY DISPROPORTIONATELY AFFECT CERTAIN GROUPS OF PEOPLE; NEXT STEPS INVOLVE ADDRESSING THE CONDITIONS THAT PREVENT THE REALIZATION OF GOOD HEALTH FOR THESE VULNERABLE OR MARGINALIZED GROUPS. THROUGH EXAMINATION OF THE INFLUENCE OF DETERMINANTS OF HEALTH, IT IS POSSIBLE TO DEVELOP STRATEGIES THAT ELIMINATE PERSISTENT AND PERVASIVE HEALTH DISPARITIES, PROMOTE HEALTH EQUITY, IMPROVE HEALTH OUTCOMES AND REDUCE FINANCIAL COST.

MIDDLESEX HOSPITAL:

PART V, SECTION B, LINE 5: IN COMPLETING ITS MOST RECENT (2019) COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA), MIDDLESEX HOSPITAL TOOK INTO ACCOUNT INPUT FROM REPRESENTATIVES OF ITS COMMUNITY SERVED, INCLUDING THOSE WITH SPECIAL KNOWLEDGE OF OR EXPERTISE IN PUBLIC HEALTH. A COMMUNITY HEALTH NEEDS ASSESSMENT ADVISORY COMMITTEE WAS FORMED TO PROVIDE INPUT AND GUIDANCE THROUGHOUT THE PROCESS, INCLUDING REVIEW OF THE STUDY'S COMPONENTS; REVIEW AND INPUT ON THE KEY INFORMANT SURVEY; ASSISTANCE WITH

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.

SERVICE AREA-WIDE KEY INFORMANT SURVEY DISSEMINATION; REVIEW AND INPUT ON COMMUNITY RESOURCES AND ASSETS; AND FINAL STUDY REVIEW. THE ADVISORY COMMITTEE WAS COMPRISED OF STAKEHOLDERS REPRESENTING THE BROAD INTERESTS OF THE COMMUNITY, INCLUDING LOCAL HEALTH DEPARTMENTS, HEALTH CARE ORGANIZATIONS (INCLUDING MEDICAL AND BEHAVIORAL), COMMUNITY BASED ORGANIZATIONS, SCHOOLS, MUNICIPALITIES, FOUNDATIONS, ADVOCACY GROUPS, FAITH-BASED ORGANIZATIONS AND PUBLIC SAFETY. AN EFFORT WAS MADE TO ENSURE THAT MEDICALLY UNDERSERVED, LOW-INCOME AND MINORITY POPULATIONS WERE REPRESENTED (SEE CHNA REPORT, APPENDIX - TABLE A1 - WHICH SETS FORTH REPRESENTED SECTORS/COMMUNITIES).

TO CAPTURE BROAD COMMUNITY INPUT ON HEALTH NEEDS, SOCIAL DETERMINANTS OF HEALTH AND HEALTH EQUITY, MIDDLESEX HOSPITAL ADMINISTERED ITS KEY INFORMANT SURVEY THROUGH THE ONLINE SURVEYMONKEY FORMAT. A FOCUS ON SOCIAL DETERMINANTS OF HEALTH AND HEALTH EQUITY REMAINED AS INTEGRAL SECTIONS OF THE 2019 SURVEY. THE 14 QUESTION SURVEY WAS ADMINISTERED THROUGH THE ONLINE SURVEYMONKEY FORMAT AND INCLUDED TWO SEPARATE AND DISTINCT URLS FOR THE COMMUNITY AND MIDDLESEX HOSPITAL STAFF. SURVEYING STAFF WAS INCLUDED, AS THEY LIVE AND WORK IN THE HOSPITAL'S SERVICE AREA. THE SURVEYS WERE OPEN FOR COMPLETION FOR A FOUR WEEK TIME PERIOD. THE COMMUNITY E-SURVEY WAS EXTENSIVELY DISSEMINATED TO AN ARRAY OF SECTOR CONTACTS IN MIDDLETOWN, MIDDLESEX COUNTY AND THE PERIPHERY TOWNS OF MIDDLESEX HOSPITAL'S PRIMARY SERVICE AREA IN ORDER TO ENSURE RESPONSES FROM A WIDE RANGE OF REPRESENTATIVE COMMUNITY MEMBERS AND LEADERS WITH DIVERSE BACKGROUNDS, PERSPECTIVES AND FIRST-HAND KNOWLEDGE ABOUT THEIR COMMUNITIES. SECTORS INCLUDED ADVOCACY GROUPS, ALLIANCES/COALITIONS, THE BUSINESS COMMUNITY, EDUCATIONAL INSTITUTIONS, COMMUNITY BASED

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.

ORGANIZATIONS, COMMUNITY RESIDENTS, ELECTED OFFICIALS, FAITH-BASED ORGANIZATIONS, FOUNDATIONS, HEALTH CARE ORGANIZATIONS (INCLUDING MEDICAL AND BEHAVIORAL), LOCAL HEALTH DEPARTMENTS, MENTAL HEALTH ORGANIZATIONS, PRIMARY CARE/FAMILY MEDICINE PRACTICES, PUBLIC SAFETY ORGANIZATIONS (POLICE, FIRE, EMERGENCY MANAGEMENT), SOCIAL SERVICES, SUBSTANCE TREATMENT FACILITIES, AND YOUTH AND FAMILY SERVICES. COMMUNITY HEALTH NEEDS ASSESSMENT ADVISORY COMMITTEE MEMBERS WERE ASKED TO BROADLY SHARE THE COMMUNITY SURVEY LINK, AND ALL SURVEY RECIPIENTS WERE INVITED TO SHARE THE LINK WITH CO-WORKERS/COLLEAGUES, FRIENDS AND FAMILY OR ANYONE WHO LIVES OR WORKS IN MIDDLESEX COUNTY. THE SPECIFIC MIDDLESEX HOSPITAL E-SURVEY WAS SENT TO LEADERSHIP E-DISTRIBUTION LISTS (EXECUTIVE STAFF, DIRECTORS, MANAGERS, SUPERVISORS) WITH A REQUEST TO SHARE THE EXPLANATION OF PURPOSE AND SURVEY URL WITH INDIVIDUAL DEPARTMENTAL STAFF E-DISTRIBUTION LISTS. A TOTAL OF 427 SURVEYS WERE COMPLETED, WITH 239 COMPLETED BY THE COMMUNITY AND 188 COMPLETED BY MIDDLESEX HOSPITAL STAFF. THE COMMUNITY AND MIDDLESEX HOSPITAL RESPONSE RESULTS WERE ANALYZED SEPARATELY AND INCLUDED THROUGHOUT THE CHNA.

MIDDLESEX HOSPITAL:

PART V, SECTION B, LINE 7D: MIDDLESEX HOSPITAL POSTED ITS MOST RECENTLY COMPLETED CHNA (2019) ON ITS WEB-SITE (HTTPS://MIDDLESEXHEALTH.ORG/MIDDLESEX-AND-THE-COMMUNITY/SERVING-OUR-COMMUNITY/COMMUNITY-HEALTH-NEEDS-ASSESSMENT) AND ELECTRONICALLY DISTRIBUTED IT THROUGH THE FOLLOWING DISSEMINATION CHANNELS: THE CHNA ADVISORY COMMITTEE; KEY INFORMANT COMMUNITY PARTNERS; COMMUNITY MEMBERS; AND EXISTING HOSPITAL-COMMUNITY BASED PARTNERSHIP DISTRIBUTION LISTS. RECIPIENTS WERE

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.

ENCOURAGED TO WIDELY SHARE THE ASSESSMENT. ELECTRONIC COPIES WERE ALSO DISTRIBUTED TO MIDDLESEX HOSPITAL LEADERSHIP, MANAGEMENT STAFF, MEDICAL STAFF, BOARD OF DIRECTORS, AND STAFF THROUGH INCLUSION IN MIDDLESEX HOSPITAL'S WEEKLY ELECTRONIC NEWSLETTER. HARD COPIES OF THE CHNA WERE HANDED OUT AT THE MIDDLESEX HEALTH CHNA IMPLEMENTATION STRATEGY COMMUNITY CONVERSATION (HELD ON JANUARY 28, 2020) AND WILL CONTINUE TO BE PROVIDED UPON REQUEST.

MIDDLESEX HOSPITAL:

PART V, SECTION B, LINE 11: MIDDLESEX HOSPITAL COMPLETED ITS LAST COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) IN 2019, AND ITS CHNA IMPLEMENTATION STRATEGY WAS APPROVED BY MIDDLESEX HEALTH'S GOVERNING BODY ON FEBRUARY 7, 2020. TO ASSIST MIDDLESEX HEALTH IN PRIORITIZING THE SIGNIFICANT HEALTH AND HEALTH-RELATED NEEDS IDENTIFIED IN ITS MOST RECENTLY COMPLETED CHNA, A FACILITATED COMMUNITY CONVERSATION WAS HELD. THE COMMUNITY CONVERSATION FORMAT WAS SELECTED AS IT PROVIDES A PRACTICAL, PURPOSEFUL AND INTERACTIVE APPROACH. THE INVITATION TO THE EVENT WAS WIDELY DISSEMINATED TO AN ARRAY OF CONTACTS IN MIDDLETOWN, MIDDLESEX COUNTY AND THE PERIPHERY TOWNS OF MIDDLESEX HEALTH'S PRIMARY SERVICE AREA TO ENSURE PARTICIPATION BY COMMUNITY LEADERS, STAKEHOLDERS AND COMMUNITY MEMBERS WITH DIVERSE BACKGROUNDS, PERSPECTIVES AND FIRST-HAND KNOWLEDGE ABOUT THEIR COMMUNITIES. ATTENDEES REPRESENTED VARIOUS SECTORS INCLUDING ADVOCACY GROUPS, ALLIANCES/COALITIONS, EDUCATIONAL INSTITUTIONS, COMMUNITY BASED ORGANIZATIONS, COMMUNITY RESIDENTS, ELECTED OFFICIALS, FAITH-BASED ORGANIZATIONS, HEALTH CARE ORGANIZATIONS (INCLUDING MEDICAL AND BEHAVIORAL), LOCAL HEALTH DEPARTMENTS, MUNICIPAL AGENCIES, PUBLIC SAFETY

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.

ORGANIZATIONS (POLICE, EMERGENCY MANAGEMENT), SOCIAL SERVICES, STATE AGENCIES AND YOUTH AND FAMILY SERVICES. FACILITATORS WITH EXPERTISE IN COMMUNITY CONVERSATIONS LED THE ATTENDEES IN A PRIORITIZATION EXERCISE AND A DISCUSSION OF POTENTIAL STRATEGIES AND SOLUTIONS. PARTICIPANTS WERE ASKED TO CONSIDER THE IMPACTS OF SOCIAL DETERMINANTS OF HEALTH AND HEALTH DISPARITIES WHEN REVIEWING EACH HEALTH ISSUE. ONCE THE RANKING PROCESS WAS COMPLETED, THE RESULTS WERE TALLIED AND FIVE PRIORITY AREAS WERE DETERMINED.

THE RESULTS OF THE COMMUNITY CONVERSATION SERVED AS A GUIDE FOR MIDDLESEX HEALTH'S SELECTION OF PRIORITY AREAS FOR ITS CHNA IMPLEMENTATION STRATEGY. THROUGH THIS PROCESS, THE FOLLOWING HEALTH TOPICS WERE SELECTED AS AREAS OF FOCUS FOR THE IMPLEMENTATION STRATEGY: 1) HEALTHY WEIGHT / OBESITY / DIABETES PREVENTION; 2) MENTAL HEALTH ADVERSE CHILDHOOD EXPERIENCES; 3) SUBSTANCE USE DISORDER OPIOIDS; AND 4) CANCER, WITH SOCIAL DETERMINANTS OF HEALTH AND HEALTH EQUITY AS ESSENTIAL COMPONENTS FOR EACH HEALTH AREA.

WITH REGARD TO NEEDS THAT ARE NOT BEING ADDRESSED, MIDDLESEX HOSPITAL RECOGNIZES THAT IT CANNOT FOCUS ON EVERY HEALTH AND SOCIAL NEED IDENTIFIED IN ITS PREVIOUSLY CONDUCTED COMMUNITY HEALTH NEEDS ASSESSMENT AND IS THEREFORE COMMITTED TO ALLOCATING RESOURCES AND IN-KIND TIME TO THE HIGHEST AREAS OF IDENTIFIED NEED AND/OR AREAS WITH GREATEST POTENTIAL FOR IMPACT AND FEASIBILITY (THE SELECTED PRIORITY AREAS). RESOURCE CONSTRAINTS PREVENT THE HOSPITAL FROM ADDRESSING EVERY NEED, AND IN MANY CASES, OTHER LOCAL COMMUNITY BASED ORGANIZATIONS MAY BE BETTER SUITED TO TAKE A LEADERSHIP ROLE IN IMPROVING CERTAIN HEALTH OUTCOMES. AS WITH OUR PREVIOUS COMMUNITY HEALTH NEEDS ASSESSMENTS, THE HOSPITAL WILL CONTINUE TO BE A

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.

WILLING PARTNER, WHEN ABLE, FOR INITIATIVES NOT RELATED TO ITS SELECTED CHNA IMPLEMENTATION STRATEGY PRIORITY AREAS.

IN FY21, MIDDLESEX HOSPITAL'S COMMUNITY HEALTH AND WELL-BEING BASED WORK CONTINUED TO FOCUS ON THE COVID-19 PANDEMIC AND RESPOND TO COMMUNITY LEVEL NEEDS. NEW COVID-19 INITIATIVES IN FY21 INCLUDED A VACCINE EQUITY CAMPAIGN.

TO ALIGN WITH ITS COMMUNITY HEALTH NEEDS ASSESSMENT FOCUS ON ADVANCING HEALTH EQUITY BY ADDRESSING THE ROOT CAUSES OF HEALTH DISPARITIES, MIDDLESEX HOSPITAL HAS ADOPTED A COLLABORATIVE PHILOSOPHY FOR ITS COMMUNITY HEALTH AND WELL-BEING VISION, IN FY21 MIDDLESEX HOSPITAL SECURED \$1,046,133 IN GRANT FUNDING AND CONTINUATION FUNDING FOR COMMUNITY-LED PROGRAMS DEVELOPED TO IN SUPPORT OF STRATEGIC, PLACE-BASED PARTNERSHIPS. HEALTH SYSTEMS ARE ANCHOR INSTITUTIONS IN THEIR SERVICE AREAS. BY SUPPORTING ONGOING COMMUNITY INITIATIVES, MIDDLESEX HOSPITAL IS ENSURING THAT ITS COMMUNITY BENEFIT PROGRAMS MEET COMMUNITY NEEDS, AS DEFINED BY COMMUNITY INPUT AND VOICE. BY INFUSING 100% OF THIS GRANT MONEY INTO THE COMMUNITY AND CREATING COMMUNITY-BASED JOBS, MIDDLESEX HOSPITAL IS HELPING TO ADVANCE EQUITABLE AND INCLUSIVE ECONOMIC DEVELOPMENT STRATEGIES IN MEANINGFUL WAYS; THIS IS IMPORTANT BECAUSE SOCIOECONOMIC STATUS AND RELATED FACTORS, SUCH AS EMPLOYMENT, ARE DRIVERS OF HEALTH. THESE GRANTS, WRITTEN BY MIDDLESEX HOSPITAL AND SECURED IN PARTNERSHIP, HAVE UNDERWRITTEN MULTIPLE COMMUNITY-BASED PROGRAMS THAT FOCUS ON ADDRESSING SYSTEMIC BARRIERS THAT BLACK, INDIGENOUS, AND PEOPLE OF COLOR (BIPOC) AND LATINO/A/X INDIVIDUALS EXPERIENCE WITH ACCESS TO QUALITY HEALTH CARE SERVICES. EACH PROGRAM HAS BEEN DESIGNED, IMPLEMENTED AND LED BY BIPOC OR

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.

LATINO/A/X COMMUNITY LEADERS AND COMMUNITY MEMBERS WHO KNOW THE NEEDS OF AND SOLUTIONS FOR THEIR COMMUNITIES BEST. IN ADDITION TO PROVIDING SUPPORT FOR GRANT WRITING, BUDGET PREPARATION, PROGRAM DESIGN, PROGRAM IMPLEMENTATION, PROGRAM EVALUATION AND GRANT REPORTING, MIDDLESEX HEALTH IS AN ACTIVE PARTNER WITH THE ORGANIZATIONS OVERSEEING THE PROGRAMS. GRANT DOLLARS SECURED BY MIDDLESEX HOSPITAL HAVE FUNDED: COVID-19 CRISIS COUNSELORS; COVID-19 TRUSTED MESSENGERS; BEHAVIORAL HEALTH CRISIS COUNSELORS; RECOVERY COACHES; DOULA AND COMMUNITY HEALTH WORKERS; AN ORAL HEALTH COMMUNITY HEALTH WORKER; GENERALIST COMMUNITY HEALTH WORKERS; COVID-19 EMERGENCY FUNDING; COVID-19 WELLNESS KITS; A LATINX FOCUS GROUP STUDY; AND AN ADULT AND FAMILY-ORIENTED EDUCATIONAL SERIES. THESE GRANTS HAVE CREATED APPROXIMATELY 18 FULL-TIME EQUIVALENT POSITIONS FOR BIPOC AND LATINO/A/X INDIVIDUALS AND HAVE ENABLED MIDDLESEX HOSPITAL TO BE A COLLABORATIVE PARTNER THAT SUPPORTS SHARED GOALS OF ADVANCING HEALTH EQUITY.

(CONTINUED AT END OF SECTION)

MIDDLESEX HOSPITAL:

PART V, SECTION B, LINE 13H: MIDDLESEX HOSPITAL'S SLIDING SCALE OUTLINES THE FACTORS THAT IT USES TO DETERMINE FINANCIAL ASSISTANCE DETERMINATIONS: THE FEDERAL POVERTY INCOME GUIDELINES AND NUMBER OF PERSONS IN HOUSEHOLD.

PART V, SECTION B, LINE 7A:

[HTTPS://MIDDLESEXHEALTH.ORG/MIDDLESEX-AND-THE-COMMUNITY/SERVING-OUR-COMM](https://middlesexhealth.org/middlesex-and-the-community/serving-our-comm)

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.

UNITY/COMMUNITY-HEALTH-NEEDS-ASSESSMENT

PART V, SECTION B, LINE 10A:

HTTPS://MIDDLESEXHEALTH.ORG/MIDDLESEX-AND-THE-COMMUNITY/SERVING-OUR-COMMUNITY/COMMUNITY-HEALTH-NEEDS-ASSESSMENT

PART V, SECTION B, LINE 16A, FAP WEBSITE:

HTTPS://MIDDLESEXHEALTH.ORG/PATIENTS-AND-VISITORS/FINANCIAL-ASSISTANCE-SERVICES

PART V, SECTION B, LINE 16B, FAP APPLICATION WEBSITE:

HTTPS://MIDDLESEXHEALTH.ORG/PATIENTS-AND-VISITORS/FINANCIAL-ASSISTANCE-SERVICES

PART V, SECTION B, LINE 16C, FAP PLAIN LANGUAGE SUMMARY WEBSITE:

HTTPS://MIDDLESEXHEALTH.ORG/PATIENTS-AND-VISITORS/FINANCIAL-ASSISTANCE-SERVICES

PART V, SECTION B, LINE 11 (CONTINUED):

OF THE TOTAL \$1,046,133 IN NEW OR CONTINUATION GRANT DOLLARS SECURED AND AWARDED TO COMMUNITY PARTNERS BASED ON GRANT PROPOSALS WRITTEN BY MIDDLESEX HOSPITAL, \$665,358 WAS FOR COVID-19 RELATED INITIATIVES AND \$380,775 WAS FOR OTHER HEALTH EQUITY PROJECTS. FUNDING SECURED FOR THE COVID-19 RELATED INITIATIVES INCLUDE: 1) COACH 2 CRISIS COUNSELOR PROGRAM: ADMINISTERED BY THE MINISTERIAL HEALTH FELLOWSHIP AND FUNDED BY THE STATE OF CONNECTICUT DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES (DMHAS) BY WAY OF THE FEDERAL FEMA PROGRAM, WHERE CRISIS

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.

COUNSELORS ARE DEPLOYED THROUGHOUT THE STATE OF CONNECTICUT TO PROVIDE INDIVIDUAL CRISIS COUNSELING; EDUCATION; ASSESSMENT, REFERRAL AND LINKAGE TO NEEDED COMMUNITY SUPPORTS AND RESOURCES IN RESPONSE TO THE PANDEMIC. THE TARGET POPULATION FOR THIS INITIATIVE WAS PEOPLE OF COLOR WHO WOULD BENEFIT FROM THESE SERVICES AND WERE LINKED TO CHURCHES OR COMMUNITIES IN THE TARGET GEOGRAPHIC LOCATIONS. ADDITIONAL CRISIS COUNSELOR DUTIES INCLUDED ASSISTING WITH COVID-19 VACCINE CAMPAIGNS ONCE THE VACCINE WAS MADE AVAILABLE TO THE PUBLIC AND ADDRESSING VACCINE CONFIDENCE CONCERNS WITHIN BIPOC COMMUNITIES. DURING THE CRISIS COUNSELOR ORIENTATIONS, MIDDLESEX HOSPITAL PROVIDED IN-DEPTH TRAINING ON COVID-19, INCLUDING MODULES ON PREVENTION, SAFETY, VACCINE AND MESSAGING; 2) THE COVID-19 TRUSTED MESSENGERS PROGRAM: ADMINISTERED BY THE MINISTERIAL HEALTH FELLOWSHIP AND FUNDED BY THE CONNECTICUT HEALTH FOUNDATION. THE GOAL OF THE TRUSTED MESSENGER MODEL WAS FOR TRUSTED MESSENGERS WHO LIVE, WORK AND WORSHIP IN THE COMMUNITIES THEY SERVE TO PROVIDE CULTURALLY-SENSITIVE COVID-19 SAFETY INFORMATION AND VACCINE EDUCATION IN A SUPPORTIVE ENVIRONMENT TO BIPOC COMMUNITY MEMBERS. THE INTENT OF THIS MODEL IS TO MITIGATE A WIDENING OF THE DISPROPORTIONATE IMPACT OF COVID-19 ON COMMUNITIES OF COLOR. PARTNERING WITH THE FAITH COMMUNITY IS INTEGRAL TO BUILDING TRUST, AS BLACK AND LATINX CHURCHES HAVE BEEN ENGAGED IN HEALTH MINISTRIES FOR DECADES, WITH CONGREGANTS AND COMMUNITY MEMBERS LOOKING TO THEIR HOUSES OF WORSHIP NOT ONLY AS PLACES OF HEALING AND REFUGE, BUT AS TRUSTED CHANNELS FOR RELIABLE HEALTH INFORMATION; 3) VACCINE EQUITY PARTNERSHIP PROGRAM OVERSEEN BY THE CITY OF MIDDLETOWN DEPARTMENT OF HEALTH AND THE MINISTERIAL HEALTH FELLOWSHIP. MIDDLETOWN WAS ONE OF 27 MUNICIPALITIES TO RECEIVE FEDERAL STIMULUS FUNDING THROUGH THE CONNECTICUT DEPARTMENT OF HEALTH FOR THIS

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.

PROGRAM. FOCUSING ON VACCINE EQUITY IS AN IMPORTANT HEALTH EQUITY INITIATIVE. EARLY VACCINE DATA IN CONNECTICUT INDICATED DISPARITIES IN COVID-19 VACCINATION IN COMMUNITIES OF COLOR AND VULNERABLE POPULATIONS THROUGHOUT CONNECTICUT. THESE DISPARITIES UNDERScoreD AN URGENCY TO ADDRESS INEQUITIES AND CLOSE THE VACCINE COVERAGE GAP FOR COMMUNITIES OF COLOR AND VULNERABLE POPULATIONS. MIDDLETOWN'S VACCINE EQUITY PARTNERSHIP PROGRAM FOCUSED ON ENSURING THAT COVID-19 VACCINES REACHED BIPOC AND LATINO/A/X INDIVIDUALS BY MEETING PEOPLE WHERE THEY LIVE AND ENGAGING WITH PEOPLE THEY TRUST. THE MIDDLETOWN PROJECT USED "COVID-19 TRUSTED MESSENGERS" FROM THE MIDDLETOWN COMMUNITY, WHO REACHED OUT TO INDIVIDUALS TO ADDRESS COVID-19 VACCINE CONCERNS, ANSWER QUESTIONS, AND TO BREAK DOWN BARRIERS TO COVID-19 VACCINE ACCESS. THE COVID-19 TRUSTED MESSENGERS CANVASSED LOCAL NEIGHBORHOODS, PROVIDED CULTURALLY-SENSITIVE COVID-19 VACCINE EDUCATION AND RESOURCES IN A SUPPORTIVE, NON-JUDGMENTAL WAY, PROVIDED INFORMATION ABOUT COVID-19 VACCINE CLINICS, REGISTERED PEOPLE FOR COVID-19 VACCINATION APPOINTMENTS, AND STAFFED THE WEEKLY MIDDLETOWN HEALTH DEPARTMENT AND MINISTERIAL HEALTH FELLOWSHIP WEEKLY COVID-19 VACCINE CLINIC AT CROSS STREET AME ZION CHURCH IN MIDDLETOWN; 4) COVID-19 WELLNESS PACKAGES, OVERSEEN BY THE MINISTERIAL HEALTH FELLOWSHIP, WHERE OVER 1,000 COVID-19 WELLNESS PACKAGES WERE PREPARED AND DISTRIBUTED TO COMMUNITY MEMBERS WITH AN ADDITIONAL FOCUS ON BIPOC COMMUNITY INDIVIDUALS. MIDDLESEX HOSPITAL ALSO DEVELOPED CULTURALLY-SENSITIVE COVID-19 EDUCATIONAL MATERIALS FOR COVID-19 PREVENTION, SAFETY AND THE VACCINE - WHICH ALSO ADDRESSED COVID-19 VACCINE MYTHS AND MISINFORMATION. THE EDUCATIONAL INFORMATION PRODUCED BY MIDDLESEX HOSPITAL WAS ALSO USED FOR THE COVID-19 CRISIS COUNSELOR PROGRAM AND COVID-19 TRUSTED

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.

MESSENGERS PROGRAM DESCRIBED ABOVE; 5) ACCESS TO HEALTH SERVICES AND ADDRESSING COVID-19 HEALTH DISPARITIES AMONG HIGH-RISK AND UNDERSERVED POPULATIONS, A CDC GRANT FUNDED PROGRAM BY WAY OF CT'S OFFICE OF HEALTH STRATEGY AND OVERSEEN BY THE MINISTERIAL HEALTH FELLOWSHIP. COVID-19 HAS DISPROPORTIONATELY AFFECTED POPULATIONS AT GREATER RISK AND THOSE WHO ARE MEDICALLY UNDERSERVED, INCLUDING SPECIFIC RACIAL AND ETHNIC GROUPS WHO ARE AT HIGHER RISK OF EXPOSURE, INFECTION, HOSPITALIZATION, AND MORTALITY. THIS INITIATIVE LEVERAGES CURRENT RESPONSE EFFORTS TO MEET SPECIFIC EQUITY GOALS BY REMOVING PHYSICAL, SOCIAL AND LINGUISTIC ACCESS BARRIERS, AND EMPLOYS A COMMUNITY HEALTH WORKER AND DOULA TO DELIVER MITIGATION ASSISTANCE AND ONGOING SOCIAL SUPPORTS AND RESOURCES DURING THE RECOVERY PHASE TO AT-RISK RESIDENTS. THIS PROGRAM IS ALSO IN PARTNERSHIP WITH THE GREATER MIDDLETOWN AREA HEALTH ENHANCEMENT COMMUNITY.

FUNDING SECURED FOR THE NON-COVID-19 RELATED INITIATIVES INCLUDE (BUT ARE NOT LIMITED TO): 1) PREGNANT WITH POSSIBILITIES (PWP), WHICH IS FUNDED BY CT OFFICE OF HEALTH STRATEGY (BY WAY OF THE NATIONAL OFFICE OF MINORITY HEALTH) AND OVERSEEN BY THE MINISTERIAL HEALTH FELLOWSHIP THROUGH THE GREATER MIDDLETOWN AREA HEALTH ENHANCEMENT COMMUNITY. PWP IS A COMMUNITY-BASED PROGRAM THAT PROVIDES DOULA/COMMUNITY HEALTH WORKER (CHW) SERVICES IN ORDER TO ADDRESS THE SIGNIFICANT DISPARITIES IN PREGNANCY AND BIRTH OUTCOMES AMONG BIPOC AND LATINX PERSONS AND THEIR BABIES. PWP PROVIDES PROFESSIONALS WHO ARE TRAINED AND CERTIFIED AS DOULAS, AND SOON TO BE TRAINED AND CERTIFIED AS CHWS. THE DOULA/CHWS SUPPORT PARTICIPANTS BEFORE, DURING AND UP TO ONE YEAR AFTER DELIVERY. DOULA/CHW SUPPORT IS ALSO PROVIDED IN SPANISH. COLLABORATING PARTNERS

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.

INCLUDE MIDDLESEX HEALTH; THE COMMUNITY HEALTH CENTER, AND OTHER COMMUNITY BASED AGENCIES; 2) CONTINUATION FUNDING FOR THE "HOW CAN WE HELP?" PROGRAM OVERSEEN BY THE MINISTERIAL HEALTH FELLOWSHIP, A DMHAS-FUNDED OPIOID RISK-REDUCTION PROGRAM FOR GREATER MIDDLETOWN THAT PROVIDES RECOVERY SUPPORT SERVICES TO PEOPLE WHO ARE ACTIVELY USING OPIOIDS; HAVE HAD OR ARE AT RISK OF AN OPIOID OVERDOSE; ARE IN/WANT TO REMAIN IN RECOVERY; ARE STRUGGLING WITH OTHER SUBSTANCE USE. SUPPORT SERVICES ARE ALSO PROVIDED TO FAMILIES, LOVED ONES AND FRIENDS OF THOSE STRUGGLING WITH AN OPIOID USE DISORDER OR OTHER SUBSTANCE USE DISORDERS. RECOVERY COACHES PROVIDE ONE-ON-ONE SUPPORT AND COACHING TO HELP INDIVIDUALS LIVE HEALTHY LIVES; THIS INCLUDES EDUCATION AND CONNECTION TO NEEDED TREATMENT, RECOVERY SUPPORT SERVICES, SOCIAL SERVICES AND OTHER RESOURCES; 3) ORAL HEALTH PROGRAM, FUNDED BY CAREQUEST, IS OVERSEEN BY THE MINISTERIAL HEALTH FELLOWSHIP, ADDRESSES THE PERSISTENT DISPARITIES IN ORAL HEALTH THAT EXIST FOR BIPOC INDIVIDUALS. THIS PROGRAM UTILIZES A COMMUNITY HEALTH WORKER (CHW) WITHIN A FAITH-BASED ENVIRONMENT TO: BROADLY ADVOCATE FOR SYSTEMS-CHANGE FOR IMPROVED ACCESS TO ORAL CARE IN CONNECTICUT, THEREBY REDUCING ORAL HEALTH DISPARITIES AND IMPROVING ORAL HEALTH; AND, PROVIDE BIPOC INDIVIDUALS AND THEIR FAMILIES (IN THE SERVICE AREA FOR THIS PROJECT) ORAL HEALTH EDUCATION AND CONNECTION TO SERVICES THAT IMPROVE ORAL HEALTH OUTCOMES, AND PROMOTE SELF- AND COMMUNITY-ADVOCACY FOR IMPROVED ACCESS TO QUALITY ORAL CARE IN CONNECTICUT; 4) MIDDLESEX COUNTY NAACP HEALTH COMMITTEE LATINX FOCUS GROUP STUDY (PHASE 2) DESIGNED TO: GAIN AN UNDERSTANDING OF THE LIVED EXPERIENCES OF THE LATINX COMMUNITY WITHIN THE SYSTEMS THAT CONTRIBUTE TO THEIR HEALTH OUTCOMES; TO BETTER UNDERSTAND THE MOST SALIENT SOCIAL DETERMINANTS OF

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.

HEALTH AND OTHER DRIVERS THAT NEGATIVELY IMPACT HEALTH OUTCOMES FOR
LATINX RESIDENTS; STRENGTHEN THE CONNECTION BETWEEN LATINX RESIDENTS,
THE HEALTH SYSTEM AND COMMUNITY SERVICE ORGANIZATIONS; AND, ULTIMATELY
CREATE SYSTEMS CHANGES TO ADVANCE HEALTH EQUITY; 5) MIDDLESEX COUNTY
NAACP HEALTH COMMITTEE ADULT AND YOUTH HEALTH & WELL-BEING SERIES,
FUNDED BY THE COMMUNITY FOUNDATION OF MIDDLESEX COUNTY, SEEKS TO
IMPROVE THE HEALTH STATUS OF PEOPLE OF COLOR IN MIDDLESEX COUNTY BY
ADDRESSING EXISTING HEALTH DISPARITIES. BASED ON HEALTH CONCERNS AND
CONTRIBUTORS AMONG PEOPLE OF COLOR, IDENTIFIED BY THE PHASE 1 MIDDLESEX
COUNTY NAACP HEALTH EQUITY FOCUS GROUP REPORT, THIS PROGRAM OFFERS A
SERIES OF INTERACTIVE HEALTH EDUCATION AND DISCUSSION SESSIONS FOR
ADULTS AND MONTHLY HEALTH EDUCATION SESSIONS WITH AN ACCOMPANYING ART
PROJECT FOR ELEMENTARY SCHOOL-AGED CHILDREN AND THEIR CAREGIVERS.

PART V, SECTION B, LINE 20A:
WRITTEN NOTICE ABOUT UPCOMING ECAS WAS NOT REQUIRED BECAUSE THE
ORGANIZATION DID NOT PURSUE ANY EXTRAORDINARY COLLECTION ACTION'S
DURING THE YEAR. IF AN ECA WAS PURSUED IN THE FUTURE, PROPER NOTICE
WOULD BE GIVEN.

Part VI Supplemental Information

Provide the following information.

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

PART I, LINE 3C:

IN GENERAL, MIDDLESEX HOSPITAL ("THE HOSPITAL") USES FPG TO DETERMINE ELIGIBILITY. THERE ARE, HOWEVER, SPECIAL CIRCUMSTANCES (SUCH AS A CATASTROPHIC EVENT) WHICH MAY AFFECT A PATIENT'S ABILITY TO PAY. IN THIS CASE, THE HOSPITAL EVALUATES THE APPLICATION WITH CONSIDERATION GIVEN TO THE PATIENT'S CURRENT SITUATION. WITH SPECIAL CIRCUMSTANCES, IN ORDER TO MAXIMIZE THE AMOUNT OF FINANCIAL ASSISTANCE DISCOUNT, THE FPG THRESHOLD MAY BE IGNORED AND THE HOSPITAL MAY USE THE PATIENT'S ASSETS AND/OR TAX RETURN ITEMIZED DEDUCTIONS TO DETERMINE THE AMOUNT OF FINANCIAL ASSISTANCE.

PART I, LINE 7:

FOR PART 1, LINE 7 SECTIONS (A) FINANCIAL ASSISTANCE AT COST, (B) MEDICAID, (C) COSTS OF OTHER MEANS-TESTED GOVERNMENT PROGRAMS, PORTIONS OF (F) HEALTH PROFESSIONS EDUCATION, AND (G) SUBSIDIZED HEALTH SERVICES, THE COSTING METHODOLOGY USED IS A HYBRID COST ACCOUNTING/MEDICARE COST-TO-CHARGE RATIO CALCULATION. THE PERCENTAGES ARE DERIVED FROM THE MOST CURRENT MEDICARE COST REPORT AND APPLIED BY CHARGE LINE

Part VI Supplemental Information (Continuation)

APPROPRIATELY. INDIRECT COSTS WERE APPLIED TO SUBSIDIZED HEALTH SERVICES. THE MEDICARE COST REPORT DOES NOT ADDRESS ALL AREAS OF THE HOSPITAL IN THE SAME DETAIL, BUT DOES ACCURATELY ADDRESS INPATIENT AND OUTPATIENT, HOMECARE AND TO AN EXTENT PHYSICIAN SERVICES. SECTIONS (E) COMMUNITY HEALTH IMPROVEMENT; PORTIONS OF (F) HEALTH PROFESSIONS EDUCATION, (H) RESEARCH, AND (I) CASH AND IN-KIND CONTRIBUTIONS TO COMMUNITY GROUPS ARE COMPRISED (EXCEPT FOR CASH DONATIONS AND IN-KIND MATERIAL DONATIONS) OF 1) SUPPLY EXPENSES; 2) PURCHASED SERVICES; AND 3) THE DIRECT SALARY COSTS FOR HOSPITAL STAFF WHOSE TIME WAS COMPENSATED BY THE HOSPITAL FOR TIME SPENT PARTICIPATING IN ACTIVITIES THAT QUALIFY AS COMMUNITY BENEFITS PLUS THE CURRENT FISCAL YEAR FRINGE BENEFIT RATE. IN ADDITION TO SUBSIDIZED SERVICES, INDIRECT COSTS WERE APPLIED TO A SMALL SELECTION OF SALARIES AND SERVICES UNDER COMMUNITY HEALTH IMPROVEMENT, RESEARCH, AND COMMUNITY BENEFIT OPERATIONS, BUT NOT BROADLY ACROSS ALL COMMUNITY BENEFIT ACTIVITY ENTRIES.

PART I, LINE 7G:

MIDDLESEX HOSPITAL INCLUDES ITS FAMILY MEDICINE GROUP AS A SUBSIDIZED SERVICE. FOR FY21, 7,527 UNIQUE INDIVIDUALS WERE SERVED WITH A TOTAL HOSPITAL SUBSIDY OF \$1,642,678 MIDDLESEX COUNTY HAS BEEN DESIGNATED BY THE HEALTH RESOURCES AND SERVICES ADMINISTRATION (HRSA) TO BE A MEDICALLY UNDERSERVED AREA EXPERIENCING A SHORTAGE OF SELECT HEALTH SERVICES WHICH INCLUDE TOO FEW PRIMARY CARE PROVIDERS. IN ADDITION, HRSA REPORTS HEALTH PROFESSIONAL SHORTAGE AREAS (HPSAS) FOR PRIMARY CARE (MIDDLETOWN SERVICE AREA; LOW INCOME POPULATION), MENTAL HEALTH (MIDDLESEX COUNTY; HIGH NEED GEOGRAPHIC) AND DENTAL HEALTH (CENTRAL MIDDLETOWN; LOW INCOME POPULATION). MIDDLESEX HOSPITAL'S FAMILY MEDICINE GROUP FILLS A VITAL COMMUNITY HEALTH NEED BY PROVIDING ACCESS TO PRIMARY CARE SERVICES.

Part VI Supplemental Information (Continuation)

PART II, COMMUNITY BUILDING ACTIVITIES:

THE MAJORITY OF MIDDLESEX HOSPITAL'S COMMUNITY BASED HEALTH IMPROVEMENT WORK IS CAPTURED UNDER COMMUNITY BENEFIT CATEGORIES. THE HOSPITAL'S PARTICIPATION IN COMMUNITY BUILDING ACTIVITIES, HOWEVER, HAS A VITAL ROLE IN CONTINUING TO PROMOTE THE HEALTH, WELL-BEING AND SAFETY FOR RESIDENTS IN ITS SERVICE AREA. THE HOSPITAL OFFERS ITS RESOURCES AND EXPERTISE TO SUPPORT AND STRENGTHEN COMMUNITY ASSETS IN A VARIETY OF WAYS THAT FALL UNDER THE SCOPE OF COMMUNITY BUILDING. STAFF MEMBERS PARTICIPATE IN MULTIPLE COMMUNITY PARTNERSHIPS AND COALITIONS, THE SUCCESS OF WHICH ARE GREATLY ENHANCED BY HOSPITAL COLLABORATION - MANY COMMUNITY INITIATIVES WOULD NOT BE AS EFFECTIVE WITHOUT THE HOSPITAL'S ADMINISTRATIVE AND CLINICAL STAFF IN-KIND INVOLVEMENT, SUPPORT AND EXPERTISE.

THE CRITICAL ROLE OF THE NOT-FOR-PROFIT HOSPITAL AS A SAFETY NET AND ANCHOR HEALTHCARE INSTITUTION HAS NEVER BEEN MORE APPARENT THAN DURING THE COVID-19 PANDEMIC THAT COMMENCED IN THE UNITED STATES IN THE EARLY MONTHS OF 2020 AND HAS CONTINUED THROUGH 2021 WITH NEW COVID-19 VARIANTS EMERGING AND CONTINUING TO CAUSE SURGES IN THE HEALTHCARE SYSTEM. CONTINUING TO RESPOND TO THE COVID-19 PANDEMIC IN ORDER TO TREAT ITS COVID-19 PATIENTS AND ALL ITS OTHER PATIENTS NEEDING MEDICAL CARE CONTINUED TO BE AN EXTENSIVE UNDERTAKING FOR HOSPITALS AND HEALTHCARE SYSTEMS, AND WAS NO DIFFERENT FOR MIDDLESEX HOSPITAL IN FY21. IN ORDER TO CONTINUE TO RESPOND TO THE COVID-19 PUBLIC HEALTH EMERGENCY AND ADDRESS THE ONGOING COVID-19 NEEDS OF THE COMMUNITY WHILE MAINTAINING COVID-19 SAFETY PROTOCOLS WITHIN THE HOSPITAL'S WALLS AND PURVIEW, IN FY21 MIDDLESEX HOSPITAL MAINTAINED ITS COVID-19 COMMAND CENTER UNDER THE LEADERSHIP OF ITS ENVIRONMENTAL SAFETY & EMERGENCY PREPAREDNESS DEPARTMENT. THIS DISASTER PREPAREDNESS AND

Part VI Supplemental Information (Continuation)

RESPONSE STRUCTURE ALLOWED THE HOSPITAL TO CONTINUE TO 1) TREAT THE COVID-19 PATIENTS WHO CAME TO THE HOSPITAL AND 2) KEEP ITS NON-COVID-19 PATIENTS SAFE FROM THE VIRUS. MIDDLESEX HOSPITAL COMMAND CENTER ACTIVITIES IN FY21, WHICH REPRESENT SIGNIFICANT STAFF TIME, INCLUDED (BUT ARE NOT LIMITED TO): 1) ONGOING COORDINATION AND PLANNING WITH MUNICIPALITIES, HEALTH DIRECTORS IN THE HOSPITAL'S SERVICE AREA, COMMUNITY BASED ORGANIZATIONS, AND STATE LEVEL EMERGENCY RESPONSE TEAMS; 2) SIGNIFICANT PLANNING FOR COMMUNITY-BASED COVID-19 VACCINE CLINIC ROLL-OUT; 3) SUPPLY CHAIN MANAGEMENT AND MONITORING; 4) MAINTAINING AND UPDATING, WHEN NECESSARY, COVID-19 SPECIFIC POLICIES AND PROTOCOLS; 5) PROVIDING SUPPORT, EXPERT CONSULTATION AND RESOURCES BOTH INTERNALLY AND EXTERNALLY; 6) TRACKING AND REPORTING COVID-19 CENSUS DATA TO THE CONNECTICUT HOSPITAL ASSOCIATION, STATE OF CONNECTICUT AND FEDERAL AGENCIES; 7) PATIENT SURGE PLANNING; AND 8) MANY OTHER VITAL FUNCTIONS RELATED TO COVID-19 MANAGEMENT. IN FY21, THE HOSPITAL'S COSTS ASSOCIATED WITH COVID-19 ADMINISTRATIVE LEADERSHIP AND ITS COMMAND CENTER TOTALLED \$1,256,251. NO OFFSETTING GRANT DOLLARS FOR ADMINISTRATIVE COSTS ASSOCIATED WITH COVID-19 WERE RECEIVED IN FY21. WHILE MIDDLESEX HEALTH RECEIVED REIMBURSEMENT FOR ITS COMMUNITY-BASED COVID-19 VACCINE CLINICS IN FY21, IT IS IMPORTANT TO NOTE THE NUMBERS SERVED BY MIDDLESEX HEALTH'S ABILITY TO RAPIDLY PREPARE FOR AND ADMINISTER COVID-19 VACCINES TO COMMUNITY MEMBERS ONCE THE VACCINES BECAME AVAILABLE. IN FY21, MIDDLESEX HEALTH ADMINISTERED VACCINES TO 21,413 COMMUNITY MEMBERS (41,238 DOSES).

PART III, LINE 2:

THE BAD DEBT EXPENSE AMOUNT IN PART III, LINE 2 IS BASED ON CHARGES AND TIED TO THE HOSPITAL'S AUDITED FINANCIAL STATEMENTS. THE HOSPITAL ACCOUNTS FOR DISCOUNTS AND PAYMENTS ON PATIENT ACCOUNTS IN DETERMINING BAD DEBT

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

EXPENSE BY REDUCING BAD DEBT BY RECOVERIES ON THE HOSPITAL'S FINANCIALS.

PART III, LINE 3:

THE HOSPITAL ESTIMATES THAT 10% OF ITS BAD DEBT EXPENSE IS ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY.

THE HOSPITAL HAS A WELL-ESTABLISHED PROCESS WITH ITS THIRD PARTY AGENCIES TO CAPTURE AS MANY PATIENTS ELIGIBLE FOR FINANCIAL ASSISTANCE AS POSSIBLE AND AWARDS FINANCIAL ASSISTANCE TO THOSE PATIENTS IN COLLECTIONS WHO ARE KNOWN TO QUALIFY. ONCE IN COLLECTIONS, THERE ARE TWO METHODS WHICH ENABLE PATIENTS TO RECEIVE FINANCIAL ASSISTANCE AWARDS: 1) PATIENTS EITHER

COMPLETE A FINANCIAL ASSISTANCE APPLICATION, MEET ELIGIBILITY CRITERIA AND ARE APPROVED; OR 2) THE THIRD PARTY ORGANIZATIONS THAT WORK ON BEHALF OF

THE HOSPITAL TO COLLECT BALANCES SCREEN FOR FINANCIAL ASSISTANCE

ELIGIBILITY. IN ORDER TO ENSURE THAT ALL PATIENTS IN COLLECTIONS ARE AWARE OF FINANCIAL ASSISTANCE AVAILABILITY, THE HOSPITAL REQUIRES THIRD PARTY

ORGANIZATIONS TO FOLLOW THE HOSPITAL'S POLICIES REGARDING PATIENT

NOTIFICATION ABOUT THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM. WITHIN THE POLICY THERE IS A PROVISION WHEREBY COLLECTION AGENCIES, USING GUIDELINES

SET FORTH BY THE HOSPITAL, ASSIST THE HOSPITAL IN IDENTIFYING PATIENTS WHO DO NOT HAVE A MEANS TO PAY FOR SERVICES AND THEREFORE QUALIFY FOR THE

HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM WHILE THESE PATIENTS HAVE NOT GONE THROUGH THE FORMAL APPLICATION PROCESS, THEY MEET THE ELIGIBILITY

GUIDELINES FOR FINANCIAL ASSISTANCE AS DEFINED BY THE HOSPITAL. THESE

PATIENTS ARE THEN TRANSFERRED AND INCLUDED UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE UMBRELLA. WHILE THIS PROCESS CAPTURES THE MAJORITY OF THOSE WHO

ARE ELIGIBLE FOR FINANCIAL ASSISTANCE, THE HOSPITAL RECOGNIZES IT WILL STILL HAVE A POPULATION OF PATIENTS WHO COULD POTENTIALLY QUALIFY FOR

FINANCIAL ASSISTANCE AND DO NOT RECEIVE AWARDS THOSE WHO ARE

Part VI Supplemental Information (Continuation)

UNCOOPERATIVE, UNRESPONSIVE OR HAVE MOVED AWAY.

BAD DEBT DOLLARS ARE NOT INCLUDED IN ANY OF THE HOSPITAL'S PROGRAMMATIC COMMUNITY BENEFIT VALUES AND, WHILE NOTED, ARE NOT INCLUDED IN THE HOSPITAL'S COMMUNITY BENEFIT TOTALS IN ANY HOSPITAL COMMUNITY BENEFIT PUBLICATION.

PART III, LINE 4:

THE HOSPITAL ESTIMATES A RESERVE FOR UNCOLLECTIBLE ACCOUNTS AGAINST ITS PATIENT ACCOUNTS RECEIVABLES. WHEN BAD DEBTS ARE IDENTIFIED, THEY ARE ACCOUNTED FOR AS A COMPONENT OF THE NET PATIENT REVENUE PROVISION FOR BAD DEBTS NET OF RECOVERIES. PAGE 16 OF THE MIDDLESEX HEALTH SYSTEM'S CONSOLIDATED FY21 AUDITED FINANCIAL STATEMENT STATES: THE SYSTEM DETERMINES ITS ESTIMATE OF IMPLICIT PRICE CONCESSIONS BASED ON ITS HISTORICAL COLLECTION EXPERIENCE FROM THAT CATEGORY OF PAYOR.

PART III, LINE 8:

THE MEDICARE COST REPORT IS THE COSTING METHODOLOGY SYSTEM USED TO DETERMINE THE AMOUNT REPORTED ON PART III, LINES 5 AND 6. THE HOSPITAL UTILIZES WORKSHEET 6 FOUND IN THE FORM 990 INSTRUCTIONS FOR SCHEDULE H TO CALCULATE ITS SUBSIDIZED SERVICES. THE INSTRUCTIONS STATE THAT "THE FINANCIAL LOSS IS MEASURED AFTER REMOVING LOSSES, MEASURED BY COST, ASSOCIATED WITH BAD DEBT, CHARITY CARE, MEDICAID AND OTHER MEANS-TESTED GOVERNMENT PROGRAMS". GIVEN THAT WORKSHEET 6 DOESN'T SUGGEST REMOVING LOSSES ASSOCIATED WITH MEDICARE, A PORTION OF MEDICARE IS INCLUDED IN THE HOSPITAL'S SUBSIDIZED SERVICE CALCULATIONS. SO AS NOT TO DOUBLE COUNT MEDICARE VALUES IN PART III, SECTION B, LINES 5 AND 6, THE PORTION OF MEDICARE SHORTFALL INCLUDED IN OUR SUBSIDIZED SERVICES CALCULATIONS HAS

Part VI Supplemental Information (Continuation)

BEEN SUBTRACTED FROM THE MEDICARE REVENUE AND COSTS DERIVED FROM THE MEDICARE COST REPORT. THE VALUES INDICATED IN PART III, LINES 5 AND 6 ARE THEREFORE WHAT REMAINS AFTER THE MEDICARE REVENUE AND COSTS INCLUDED IN THE SUBSIDIZED SERVICES CALCULATIONS HAS BEEN SUBTRACTED OUT. GIVEN THIS, THE RESULTING VALUES (PART III, LINES 5, 6 AND 7) WOULD NEED TO BE COMBINED WITH THE MEDICARE REVENUE/COSTS INCLUDED IN OUR SUBSIDIZED SERVICES TO GET THE FULL OVERVIEW OF MEDICARE REVENUE, COSTS AND ANY REMAINING SHORTFALL OR SURPLUS.

WE AGREE WITH THE CURRENT SUBSIDIZED SERVICES CALCULATION METHODOLOGY THAT ALLOWS THE INCLUSION OF MEDICARE DOLLARS AS THE MEDICARE POPULATION COMPRISES AN IMPORTANT SEGMENT OF THOSE RECEIVING SUBSIDIZED SERVICES CARE. THE HOSPITAL TREATS ALL MEDICARE PATIENTS EQUALLY AND DOES NOT DISCRIMINATE AGAINST LOWER-MARGIN YIELDING SERVICES. AS A NOT-FOR-PROFIT HOSPITAL, MIDDLESEX HOSPITAL IS THE SAFETY-NET IN THE COMMUNITY FOR ALL MEDICARE PATIENTS, REGARDLESS OF LEVEL OF MEDICARE COVERAGE AND REGARDLESS IF A SURPLUS OR DEFICIT RESULTS. THIS OPEN ACCESS FOR MEDICARE PATIENTS PROMOTES ACCESS TO CARE, A FUNDAMENTAL TENET OF THE HOSPITAL'S COMMUNITY BENEFIT PROGRAM.

THERE REMAINS A DISPROPORTIONATE PERCENTAGE OF OLDER ADULTS IN MIDDLESEX COUNTY WHEN COMPARED TO STATE AVERAGES. MIDDLESEX HOSPITAL'S MOST RECENTLY COMPLETED (2019) COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) FOUND THAT, WHEN EXTRACTING THE AGE 65+ POPULATION, MIDDLESEX COUNTY (18.4%) EXCEEDS CONNECTICUT (16.0%), (CONNECTICUT DATA COLLABORATIVE, 2013-2017) AND THE MAJORITY OF THE TOWNS IN MIDDLESEX HEALTH'S SERVICE AREA CONTINUE TO HAVE A GREATER CONCENTRATION OF OLDER ADULTS WHEN COMPARED TO CONNECTICUT. THE TOWNS OF COLCHESTER, MIDDLETOWN AND EAST HAMPTON FALL

Part VI Supplemental Information (Continuation)

BELOW THE STATE AVERAGE OF 16.0%. MARLBOROUGH, EAST HADDAM, AND DURHAM ARE ON PAR WITH THE STATE AVERAGE, WHILE MIDDLEFIELD, CROMWELL, CLINTON, DEEP RIVER, HADDAM, PORTLAND, KILLINGWORTH, WESTBROOK, CHESTER, OLD SAYBROOK, OLD LYME, ESSEX AND LYME CONSIDERABLY EXCEED THE STATE AVERAGE WITH A RANGE OF 18.5%-32.4% AGE 65+ (CONNECTICUT DATA COLLABORATIVE, 2013-2017). THE TREND OF A DISPROPORTIONATELY HIGHER 65+ OLDER ADULT POPULATION IN THE MAJORITY OF TOWNS IN MIDDLESEX HEALTH'S SERVICE AREA WHEN COMPARED TO THE STATE AVERAGE CONTINUES TO BE EVIDENT FOR POPULATION PROJECTIONS FOR 2020, 2030, AND 2040. FOR 2020, EXCLUDING MIDDLETOWN AND COLCHESTER (AT 14.3% AND 15.2%), THE EXPECTED GROWTH FOR AGE 65+ RANGES FROM 17.3% TO 30.0% IN THE REMAINING SEVENTEEN TOWNS IN MIDDLESEX HEALTH'S SERVICE AREA COMPARED TO 16.1% FOR CONNECTICUT. FOR 2030, EXCLUDING MIDDLETOWN (AT 14.9%), THE EXPECTED GROWTH FOR AGE 65+ RANGES FROM 19.5% TO 34.9% FOR THE REMAINING EIGHTEEN TOWNS IN MIDDLESEX HEALTH'S SERVICE AREA COMPARED TO 17.9% FOR CONNECTICUT. FOR 2040, EXCLUDING MIDDLETOWN (AT 13.9%), THE EXPECTED GROWTH FOR AGE 65+ RANGES FROM 18.5% TO 36.4% IN THE REMAINING EIGHTEEN TOWNS IN MIDDLESEX HEALTH'S SERVICE AREA COMPARED TO 17.3% FOR CONNECTICUT (CONNECTICUT STATE DATA CENTER, 2015-2040 PROJECTIONS).

AS MIDDLESEX COUNTY HAS A DISPROPORTIONATE LEVEL OF COMMUNITY MEMBERS AGE 65+ WHEN COMPARED TO STATE AVERAGES, THE SHORTFALL THAT THE HOSPITAL EXPERIENCES IN PROVIDING CRITICAL HEALTHCARE SERVICES TO THE MEDICARE POPULATION SHOULD BE CONSIDERED A COMMUNITY BENEFIT WITHIN THE HOSPITAL'S SUBSIDIZED SERVICES, WHICH THOSE AGE 65+ ALSO RELY HEAVILY ON FOR CARE. THE HOSPITAL FILLS A HEALTHCARE DELIVERY GAP FOR MEDICARE PATIENTS, ONE WHICH WOULD BE DETRIMENTAL TO THE COMMUNITY IF THE HOSPITAL WAS NOT PRESENT.

Part VI Supplemental Information (Continuation)

PART III, LINE 9B:

MIDDLESEX HOSPITAL HAS A WRITTEN DEBT COLLECTION POLICY. THE POLICY STATES THAT PATIENTS WHO QUALIFY FOR FINANCIAL ASSISTANCE WILL BE RESPONSIBLE FOR PAYING ANY BALANCE REMAINING AFTER THE FINANCIAL ASSISTANCE ALLOWANCE HAS BEEN APPLIED (THAT IS, IF 100% FINANCIAL ASSISTANCE HAS NOT BEEN AWARDED). THE POLICY ALSO OUTLINES THE PROCESS FOR PAYING OUTSTANDING BALANCES SHOULD THE PATIENT BE FOUND TO HAVE THE MEANS TO PAY A PARTIAL AMOUNT AFTER THE HOSPITAL'S FINANCIAL ASSISTANCE DETERMINATION CRITERIA HAS BEEN APPLIED. FOR SUCH BALANCES, THE HOSPITAL WILL NOTIFY THE PATIENT OF HIS/HER LIABILITY. IF PAYMENT IS NOT MADE, THE POLICY STATES THAT THE HOSPITAL WILL USE APPROPRIATE METHODS TO PURSUE COLLECTION, WHICH MAY INCLUDE COLLECTIONS AGENCIES. THIS PRACTICE IS BROADLY UTILIZED FOR ALL PATIENTS WITH OUTSTANDING BALANCES. THE HOSPITAL MAKES EVERY EFFORT TO ENSURE THAT ALL PATIENTS KNOW PAYMENT PLANS ARE AVAILABLE FOR ANY BALANCE, INCLUDING THOSE PATIENTS WHO HAVE A BALANCE LEFT OVER AFTER A FINANCIAL ASSISTANCE AWARD HAS BEEN APPLIED. IN ORDER TO CAPTURE THE PATIENTS WHO ARE KNOWN TO QUALIFY FOR FINANCIAL ASSISTANCE, THE HOSPITAL HAS PROVISIONS IN ITS COLLECTION POLICY. IN THE CASE WHERE PATIENTS WHO WOULD QUALIFY FOR FINANCIAL ASSISTANCE DO NOT COMPLETE A FINANCIAL ASSISTANCE APPLICATION AND ARE PLACED INTO COLLECTIONS, THE THIRD PARTY ORGANIZATIONS THAT WORK ON BEHALF OF THE HOSPITAL TO COLLECT BALANCES SCREEN FOR FINANCIAL ASSISTANCE ELIGIBILITY. THE THIRD PARTY ORGANIZATIONS FOLLOW HOSPITAL POLICY BY ALERTING ALL PATIENTS IN COLLECTIONS TO THE AVAILABILITY OF THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM. WITHIN THE HOSPITAL'S COLLECTION POLICY THERE IS A PROVISION WHEREBY COLLECTION AGENCIES, USING GUIDELINES SET FORTH BY THE HOSPITAL, ASSIST THE HOSPITAL IN IDENTIFYING PATIENTS WHO DO NOT HAVE A MEANS TO PAY FOR SERVICES AND THEREFORE QUALIFY FOR THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM WHILE THESE PATIENTS HAVE NOT

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

GONE THROUGH THE FORMAL APPLICATION PROCESS, THEY MEET THE ELIGIBILITY GUIDELINES FOR FINANCIAL ASSISTANCE AS DEFINED BY THE HOSPITAL. THESE PATIENTS ARE THEN TRANSFERRED AND INCLUDED UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE UMBRELLA. THIS PROCESS WAS PUT IN PLACE BY THE HOSPITAL IN ORDER TO CAPTURE AS MANY PATIENTS WHO ARE ELIGIBLE FOR FINANCIAL ASSISTANCE AS POSSIBLE.

PART VI, LINE 2:

SINCE THE INCEPTION OF MIDDLESEX HEALTH'S COMMUNITY BENEFIT POLICY IN 2007, AND PRIOR TO THE MANDATE OF THE AFFORDABLE CARE ACT, CONDUCTING A COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) IN ORDER TO PRIORITIZE SPECIFIC COMMUNITY BENEFIT INITIATIVES HAS BEEN A CORE ELEMENT OF THE HOSPITAL'S COMMUNITY BENEFIT PROGRAM. IN ADDITION TO COMPLETING A CHNA, THE HOSPITAL ASSESSES THE NEEDS OF THE COMMUNITIES IT SERVICES ON AN ON-GOING BASIS THROUGH A VARIETY OF METHODS. EXAMPLES INCLUDE UNDERSTANDING THE LOCAL AND STATE-WIDE NEEDS DERIVED FROM: 1) PARTICIPATION IN COMMUNITY HEALTHCARE COALITIONS AND BOARDS, WHICH INCLUDE STRATEGIC PLANNING THAT IS RESPONSIVE TO COMMUNITY NEED; 2) PARTICIPATION IN THE LEADERSHIP TEAM OF THE GREATER MIDDLETOWN HEALTH ENHANCEMENT COMMUNITY (GMHEC), A PLACE-BASED INITIATIVE THAT SUPPORTS LONG-TERM, COLLABORATIVE, AND CROSS-SECTOR EFFORTS TO IMPROVE COMMUNITY HEALTH AND WELL-BEING THROUGH BROAD, SYSTEMIC CHANGE BY BUILDING HEALTHY AND EQUITABLE COMMUNITIES THAT ACTIVELY WORK TOGETHER TO PREVENT THE DEVELOPMENT OF DISEASE; 3) PARTICIPATION IN THE STATE'S HOSPITAL ASSOCIATION POPULATION AND COMMUNITY HEALTH INITIATIVES BASED ON STATE-WIDE AND LOCAL COMMUNITY HEALTH ISSUES; 4) ANY REAL-TIME COMMUNITY BASED INPUT, FEED-BACK, RECOMMENDATIONS AND SUGGESTIONS; AND 5) CONTINUOUS ASSESSMENT AND ADJUSTMENTS, WHEN NECESSARY, OF THE HOSPITAL'S COMMUNITY BENEFIT PROGRAMS THROUGH SURVEYS AND PATIENT/PARTICIPANT FEED-BACK. HAVING

Part VI Supplemental Information (Continuation)

A STRONG PRESENCE IN COMMUNITY COALITIONS AND PARTNERSHIPS, IN ADDITION TO BEING RESPONSIVE TO THE NEEDS EXPRESSED BY OUR COMMUNITY RESIDENTS, ALLOWS MIDDLESEX HOSPITAL TO CONTINUALLY ASSESS THE HEALTHCARE NEEDS OF OUR COMMUNITY IN BETWEEN COMMUNITY HEALTH NEEDS ASSESSMENT CYCLES.

PART VI, LINE 3:

GREAT CONCERN IS TAKEN TO ENSURE THAT PATIENTS ARE APPRISED OF THE AVAILABILITY OF FEDERAL/STATE/LOCAL GOVERNMENT PROGRAMS AND THE HOSPITAL'S FINANCIAL ASSISTANCE PLAN. NOTICE OF THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM IS DISPLAYED CONSPICUOUSLY IN ENGLISH AND SPANISH AT THE ENTRY OF EACH FACILITY AND AT ALL PATIENT REGISTRATION POINTS. THE NOTIFICATION INCLUDES AN OVERVIEW OF THE HOSPITAL'S FINANCIAL AID PROGRAM; THE AVAILABILITY OF FREE BED FUNDS AND OTHER FINANCIAL ASSISTANCE; SLIDING SCALE; AND FINANCIAL COUNSELOR CONTACT INFORMATION. AT THE TIME OF REGISTRATION, HOSPITAL ACCESS STAFF REVIEWS THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM AND ASKS THE PATIENT IF HE/SHE WOULD LIKE A FINANCIAL ASSISTANCE PACKAGE. BUILT INTO THE REGISTRATION DATABASE IS A REQUIRED FINANCIAL ASSISTANCE FIELD WHICH MUST BE COMPLETED AS PART OF THE ADMISSIONS PROCESS. ONCE THE PATIENT EXPRESSES THE DESIRE TO RECEIVE A FINANCIAL ASSISTANCE PACKAGE, PAPERWORK WITH PATIENT NAME AND MEDICAL RECORD IS AUTOMATICALLY PRINTED AT THE REGISTRATION STATION AND HANDED TO THE PATIENT. OTHER METHODS OF COMMUNICATION TO INCREASE AWARENESS REGARDING THE FINANCIAL ASSISTANCE AND FREE BED FUND PROGRAM INCLUDE 1) A FINANCIAL ASSISTANCE BROCHURE THAT AIDS PATIENTS IN THE PROCESS, ANSWERS KEY QUESTIONS AND PROVIDES EASY ACCESS FOR HELP (AVAILABLE AT MULTIPLE HOSPITAL DEPARTMENTS AND LOCATIONS, INCLUDING KIOSKS AT EVERY HOSPITAL ENTRY POINT); 2) A SEPARATE AND DISTINCT FINANCIAL ASSISTANCE SERVICES SECTION ON THE HOSPITAL'S WEB-SITE

Part VI Supplemental Information (Continuation)

(HTTPS://MIDDLESEXHEALTH.ORG/PATIENTS-AND-VISITORS/FINANCIAL-ASSISTANCE-SERVICES) WHICH INCLUDES APPLICATION, INSTRUCTIONS, AND SLIDING SCALE; 3) INCLUSION OF FINANCIAL ASSISTANCE INFORMATION IN THE HOSPITAL'S INPATIENT ADMISSIONS BOOKLET; 4) NOTICE OF THE PROGRAM AND FINANCIAL COUNSELOR CONTACT INFORMATION ON EVERY BILLING STATEMENT; 5) NOTIFICATION AT DISCHARGE; AND 6) A LETTER OUTLINING THE PROGRAM SENT TO EVERY SELF-PAY PATIENT FOLLOWING DISCHARGE.

THE HOSPITAL HAS A TEAM OF FINANCIAL COUNSELORS WHO ARE AVAILABLE TO ASSIST THE PATIENT THROUGH THE APPLICATION PROCESS EITHER BY PHONE OR VISIT. THE ROLE OF THE COUNSELORS IS TO HELP PATIENTS NAVIGATE THE HOSPITAL'S FINANCIAL ASSISTANCE PROCESS AND TO AID IN APPLICATION FOR MEDICAID/STATE PROGRAMS. ALL COUNSELORS RECEIVE DEPARTMENTAL TRAINING ON THE IMPORTANCE OF ASSISTING PATIENTS IN NEED OF STATE/GOVERNMENTAL OR HOSPITAL FINANCIAL ASSISTANCE, THE HOSPITAL'S FINANCIAL ASSISTANCE PROTOCOLS, SYSTEMS, NEW PROGRAM ENHANCEMENTS, AND HOW TO PROVIDE SUPPORT AND FOLLOW-UP FOR MEDICAID/STATE ENROLLMENT. THE HOSPITAL'S SOCIAL WORKERS ALSO ASSIST PATIENTS WITH COMPLETION OF HOSPITAL FINANCIAL ASSISTANCE APPLICATIONS AS WELL AS MEDICAID/STATE APPLICATIONS.

AN IMPORTANT ADDITION TO MIDDLESEX HOSPITAL'S FINANCIAL ASSISTANCE PROCESS HAS BEEN THE DEVELOPMENT OF THE FINANCIAL ASSISTANCE WORKGROUP SEVERAL YEARS AGO. WORKGROUP TASKS INCLUDE: INCREASING AWARENESS REGARDING FINANCIAL ASSISTANCE AVAILABILITY; CONTINUOUS MONITORING OF APPROPRIATENESS, FEASIBILITY AND ACCESSIBILITY OF THE HOSPITAL'S FINANCIAL ASSISTANCE PRACTICES; AND A COMPREHENSIVE COMMUNICATIONS STRATEGY FOR INCREASING AWARENESS FOR FINANCIAL ASSISTANCE. IN FY21, MIDDLESEX HOSPITAL GRANTED \$2,301,326 IN FINANCIAL ASSISTANCE TO 1,276 UNIQUE RECIPIENTS AND

Part VI Supplemental Information (Continuation)

ABSORBED \$29,755,083 IN UNPAID COSTS OF MEDICAID (TOTAL OF MEDICAID INCLUDING MANAGED CARE AND LIA), SERVING 20,745 INDIVIDUALS.

PART VI, LINE 4:

MIDDLESEX HOSPITAL IS THE SOLE HOSPITAL PROVIDER IN ITS SERVICE AREA, WHICH INCLUDES THE LARGE GEOGRAPHIC AREA OF MIDDLESEX COUNTY AND SURROUNDING TOWNS. IT ENCOMPASSES 24 MUNICIPALITIES, INCLUDING THE 15 TOWNS OF MIDDLESEX COUNTY. MIDDLESEX HOSPITAL HEALTH'S SERVICE AREA INCLUDES TWENTY-FOUR MUNICIPALITIES. THERE ARE NINETEEN TOWNS IN ITS PRIMARY SERVICE AREA: CHESTER, CLINTON, CROMWELL, DEEP RIVER, DURHAM, EAST HADDAM, EAST HAMPTON, ESSEX, HADDAM, KILLINGWORTH, MIDDLEFIELD, MIDDLETOWN, OLD SAYBROOK, PORTLAND, AND WESTBROOK (THE FIFTEEN TOWNS OF MIDDLESEX COUNTY) AND COLCHESTER, LYME, MARLBOROUGH AND OLD LYME; AND, FIVE TOWNS IN ITS SECONDARY SERVICE AREA: GUILFORD, HEBRON, MADISON, MERIDEN, AND ROCKY HILL. BY LAND AREA, MIDDLESEX COUNTY (369 SQUARE MILES) IS THE SMALLEST COUNTY OF THE EIGHT COUNTIES IN CONNECTICUT, AND IS THE SIXTH IN POPULATION SIZE (CONNECTICUT DATA COLLABORATIVE, 2017). MUNICIPALITY SIZES BY LAND MASS VARY THROUGHOUT THE COUNTY, FROM 54 SQUARE MILES (EAST HADDAM) TO 10 SQUARE MILES (ESSEX), WITH MIDDLETOWN HAVING 41 SQUARE MILES OF LAND AREA.

THE CITY OF MIDDLETOWN (ZIP CODE 06457) IS CENTRALLY LOCATED 16 MILES SOUTH OF HARTFORD. THE POPULATION IN MIDDLETOWN IS ECONOMICALLY AND RACIALLY/ETHNICALLY MORE DIVERSE WHEN COMPARED TO OTHER MUNICIPALITIES IN MIDDLESEX COUNTY AND IS ONE OF THE FEW COMMUNITIES IN CONNECTICUT TO INCLUDE URBAN, SUBURBAN, AND RURAL CHARACTERISTICS. THE DATA THAT FOLLOWS IS PER MIDDLESEX HEALTH'S MOST RECENTLY COMPLETED COMMUNITY HEALTH NEEDS ASSESSMENT (2019). OF THE TOTAL STATE OF CONNECTICUT POPULATION

Part VI Supplemental Information (Continuation)

(3,588,184), 4.6% (163,410) RESIDE IN MIDDLESEX COUNTY. WITH A POPULATION OF 46,478 (CONNECTICUT DATA COLLABORATIVE, 2017), MIDDLETOWN IS THE LARGEST MUNICIPALITY IN MIDDLESEX COUNTY. THE REMAINING TOWNS IN MIDDLESEX HEALTH'S PRIMARY SERVICE AREA FALL INTO THREE POPULATION RANGES: COLCHESTER, CROMWELL, CLINTON, EAST HAMPTON AND OLD SAYBROOK HAVE POPULATIONS BETWEEN 10,000 AND 16,100; PORTLAND, EAST HADDAM, HADDAM, OLD LYME, DURHAM, WESTBROOK, ESSEX, KILLINGWORTH, AND MARLBOROUGH HAVE POPULATIONS BETWEEN 5,000 AND 9,999; AND CHESTER, DEEP RIVER, MIDDLEFIELD, AND LYME HAVE POPULATIONS LESS THAN 5,000. THE CONNECTICUT OFFICE OF RURAL HEALTH (CT-ORH) DEFINES RURAL AS ALL TOWNS WITH A POPULATION CENSUS OF 10,000 OR LESS AND A POPULATION DENSITY OF 500 OR LESS PEOPLE PER SQUARE MILE. BASED ON THIS METRIC, THE TOWNS OF CHESTER, DEEP RIVER, DURHAM, EAST HADDAM, HADDAM, KILLINGWORTH, LYME, MARLBOROUGH, MIDDLEFIELD, OLD LYME, PORTLAND, AND WESTBROOK ARE CONSIDERED RURAL.

FOR THE AGE DISTRIBUTIONS, MIDDLESEX COUNTY IS BELOW STATE AVERAGES IN THE 0-44 AGE CATEGORIES AND HAS A HIGHER PERCENTAGE OF RESIDENTS IN THE 45-54, 55-64, 65-74, 75-84, AND 85+ AGE RANGES WHEN COMPARED TO THE STATE. WHEN EXTRACTING AGE 65+, MIDDLESEX COUNTY (18.4%) EXCEEDS CONNECTICUT (16.0%), AND THE MAJORITY OF THE TOWNS IN MIDDLESEX HEALTH'S SERVICE AREA CONTINUE TO HAVE A GREATER CONCENTRATION OF OLDER ADULTS WHEN COMPARED TO CONNECTICUT. THE TOWNS OF COLCHESTER, MIDDLETOWN AND EAST HAMPTON FALL BELOW THE STATE AVERAGE OF 16.0%. MARLBOROUGH, EAST HADDAM, AND DURHAM ARE ON PAR WITH THE STATE AVERAGE, WHILE MIDDLEFIELD, CROMWELL, CLINTON, DEEP RIVER, HADDAM, PORTLAND, KILLINGWORTH, WESTBROOK, CHESTER, OLD SAYBROOK, OLD LYME, ESSEX AND LYME CONSIDERABLY EXCEED THE STATE AVERAGE WITH A RANGE OF 18.5%-32.4% AGE 65+ (CONNECTICUT DATA COLLABORATIVE, 2013-2017).

Part VI Supplemental Information (Continuation)

MIDDLETOWN HAS A MORE DIVERSE DEMOGRAPHIC RELATIVE TO THE OTHER TOWNS IN MIDDLESEX COUNTY AND RESEMBLES CONNECTICUT EXCEPT IN THE HISPANIC OR LATINO CATEGORY, WHERE MIDDLETOWN HAS A SMALLER POPULATION. MIDDLESEX COUNTY'S RACE AND HISPANIC OR LATINO ORIGIN COMPOSITION IS 83.7% WHITE, NON-HISPANIC; 5.5% BLACK OR AFRICAN AMERICAN, NON-HISPANIC; 6.4% HISPANIC OR LATINO; 3.2% ASIAN, NON-HISPANIC; 2.1% TWO OR MORE RACES, NON-HISPANIC (U.S. CENSUS QUICK FACTS 2017; VINTAGE 2018 POPULATION ESTIMATES PROGRAM). MIDDLETOWN'S RACE AND HISPANIC OR LATINO ORIGIN COMPOSITION IS 69.5% WHITE, NON-HISPANIC; 13.6% BLACK OR AFRICAN AMERICAN, NON-HISPANIC; 9.2% HISPANIC OR LATINO; 5.6% ASIAN, NON-HISPANIC; 2.9% TWO OR MORE RACES, NON-HISPANIC (U.S. CENSUS QUICK FACTS 2017; VINTAGE 2018 POPULATION ESTIMATES PROGRAM).

THE MEDIAN HOUSEHOLD INCOME IN MIDDLESEX COUNTY (\$81,673) IS HIGHER THAN THE STATE OF CONNECTICUT AVERAGE (\$73,781) [CONNECTICUT DATA COLLABORATIVE, 2017]. THERE IS A SIGNIFICANT RANGE BETWEEN THE TOWNS IN MIDDLESEX COUNTY, WITH MIDDLETOWN AT THE LOWER BOUND (\$63,914) AND DURHAM AT THE HIGHEST LEVEL (\$116,232) [CONNECTICUT DATA COLLABORATIVE, 2017]. THERE ARE SIGNIFICANT MEDIAN HOUSEHOLD INCOME DISPARITIES AMONG THE BLACK OR AFRICAN AMERICAN ALONE (\$44,554 FOR MIDDLETOWN AND \$47,642 FOR MIDDLESEX COUNTY) AND HISPANIC OR LATINO POPULATIONS (\$47,313 FOR MIDDLETOWN AND \$71,131 FOR MIDDLESEX COUNTY) WHEN COMPARED TO WHITE ALONE NOT HISPANIC OR LATINO (\$69,509 FOR MIDDLETOWN AND \$84,402 FOR MIDDLESEX COUNTY) [CONNECTICUT DATA COLLABORATIVE, 2013-2017]. FOR POVERTY STATUS, MIDDLETOWN'S TOTAL (11.3%) AND UNDER 18 (15.5%) POVERTY RATES EXCEED CONNECTICUT'S RATE OF 10.1% AND 13.5% RESPECTIVELY (CONNECTICUT DATA COLLABORATIVE, 2013-2017), WITH THE TOWNS OF CLINTON, COLCHESTER, CROMWELL, DEEP RIVER, MIDDLEFIELD AND PORTLAND EXPERIENCING INCREASED

Part VI Supplemental Information (Continuation)

POVERTY STATUS FOR THE UNDER 18 CATEGORY RELATIVE TO THE OTHER TOWNS IN MIDDLESEX HOSPITAL'S SERVICE AREA. TOTAL AND UNDER 18 POVERTY RATES ARE SIGNIFICANTLY MORE PRONOUNCED AMONG THE BLACK OR AFRICAN AMERICAN ALONE (TOTAL: 20.3% FOR MIDDLETOWN AND 17.8% FOR MIDDLESEX COUNTY & UNDER 18: 30.0% FOR MIDDLETOWN AND 26.9% FOR MIDDLESEX COUNTY) AND HISPANIC OR LATINO POPULATIONS (TOTAL: 25.1% FOR MIDDLETOWN AND 17.4% FOR MIDDLESEX COUNTY & UNDER 18: 27.9% FOR MIDDLETOWN AND 23.0% FOR MIDDLESEX COUNTY) WHEN COMPARED TO WHITE ALONE NOT HISPANIC OR LATINO (TOTAL: 8.0% FOR MIDDLETOWN AND 5.9% FOR MIDDLESEX COUNTY & UNDER 18: 10.0% FOR MIDDLETOWN AND 5.6% FOR MIDDLESEX COUNTY) [CONNECTICUT DATA COLLABORATIVE, 2013-2017].

THE EDUCATIONAL ATTAINMENT FOR MIDDLESEX COUNTY MIRRORS CONNECTICUT, EXCEPT IN THE OUTER BOUNDS (PERCENT OF NO HIGH SCHOOL DIPLOMA AND PERCENT OF BACHELOR'S DEGREE OR HIGHER) FOR MIDDLESEX COUNTY WHICH INDICATE SOMEWHAT BETTER RATES WHEN BENCHMARKED AGAINST CONNECTICUT (AMERICAN COMMUNITY SURVEY (ACS) 5-YEAR; DATAHAVEN ANALYSIS 2017). THE UNEMPLOYMENT RATES FOR THE TOWNS IN MIDDLESEX HEALTH'S SERVICE AREA ARE LOWER THAN CONNECTICUT'S AVERAGE OF 4.1% (CONNECTICUT DATA COLLABORATIVE, 2018), EXCEPT FOR MIDDLETOWN, WHICH MIRRORS THE STATE RATE. WHILE THE MAJORITY OF TOWNS IN MIDDLESEX HEALTH'S SERVICE AREA EXPERIENCE A LOWER HOUSING COST-BURDEN RATE (HOUSEHOLDS THAT SPEND AT LEAST 30% OF THEIR ANNUAL HOUSEHOLD INCOME ON HOUSING COSTS) WHEN COMPARED TO CONNECTICUT (40.7%), THE PERCENTAGE OF HOUSEHOLDS IN THE TOWNS THAT ARE COST-BURDENED IS HIGH, RANGING FROM 26.9% - 35.8%. THE TOWNS OF MIDDLETOWN AND WESTBROOK COMPARE TO CONNECTICUT, WHILE CLINTON, LYME, DEEP RIVER AND OLD SAYBROOK EXCEED THE STATE AVERAGE WITH A RANGE OF 43.3% - 47.9% EXPERIENCING HOUSING COST-BURDEN (CONNECTICUT DATA COLLABORATIVE, 2013-2017).

Part VI Supplemental Information (Continuation)

ALL TOWNS IN MIDDLESEX HEALTH'S SERVICE AREA HAVE A LOWER UNINSURED RATE WHEN COMPARED TO CONNECTICUT (6.4%), EXCEPT CLINTON (8.1%), DEEP RIVER (8.1%) AND WESTBROOK (6.9%). DEEP RIVER IS THE ONLY TOWN IN MIDDLESEX HEALTH'S SERVICE AREA THAT HAS A SLIGHTLY LOWER PRIVATE INSURANCE RATE WHEN COMPARED TO CONNECTICUT. ALL TOWNS IN MIDDLESEX HEALTH'S SERVICE AREA HAVE A LOWER PERCENTAGE OF PUBLIC HEALTH INSURANCE WHEN COMPARED TO CONNECTICUT (33.4%), EXCEPT OLD SAYBROOK (41.6%), LYME (40.1%), OLD LYME (37.2%), ESSEX (36.7%) AND CHESTER (35.3%), WHICH IS LIKELY DUE TO HIGHER MEDICARE ENROLLMENT GIVEN THE AGE DISTRIBUTION OF THOSE TOWNS (CONNECTICUT DATA COLLABORATIVE, 2013-2017).

IN 2021, THE PERCENT OF HOSPITAL DISCHARGES FOR MEDICAID/SAGA/UNINSURED COMBINED WERE: 20% INPATIENT; 15% OUTPATIENT; 29% EMERGENCY DEPARTMENT NON-ADMISSION; AND, FOR THE FOLLOWING SERVICES: 38% NEWBORN; 48% INPATIENT PSYCHIATRY; 16% OUTPATIENT SURGERY AND 13% OTHER OUTPATIENT SERVICES. MIDDLESEX COUNTY HAS BEEN DESIGNATED BY THE HEALTH RESOURCES AND SERVICES ADMINISTRATION (HRSA) TO BE A MEDICALLY UNDERSERVED AREA EXPERIENCING A SHORTAGE OF SELECT HEALTH SERVICES WHICH INCLUDE A LACK OF ACCESS TO PRIMARY CARE SERVICES.

PART VI, LINE 5:

AS MIDDLESEX HOSPITAL IS A COMMUNITY HOSPITAL, INVOLVING COMMUNITY MEMBERS IN KEY FUNCTIONS HAS ALWAYS BEEN A PRIORITY. MIDDLESEX HOSPITAL'S BOARD IS COMPRISED MAINLY OF COMMUNITY MEMBERS WHO ARE NEITHER EMPLOYEES, FAMILY MEMBERS NOR CONTRACTORS OF THE ORGANIZATION, BUT ARE LONG-TERM RESIDENTS WHOSE PRIMARY INTEREST IS THE HEALTH AND WELL-BEING OF THE COMMUNITY AT LARGE. MIDDLESEX HOSPITAL EXTENDS MEDICAL STAFF PRIVILEGES TO ALL

Part VI Supplemental Information (Continuation)

QUALIFIED PHYSICIANS IN THE COMMUNITY BASED ON THE HOSPITAL'S CURRENT AND PROJECTED PATIENT CARE, TEACHING AND RESEARCH NEEDS, AND OVERALL COMMUNITY NEED. MEDICAL STAFF INPUT AND PARTICIPATION IS HIGHLY VALUED BY THE HOSPITAL AS EVIDENCED BY INCLUSION IN THE HOSPITAL'S MEDICAL EXECUTIVE COMMITTEE, THE MEDICAL STAFF COUNCIL AND COUNTLESS OTHER WORKING COMMITTEES. MIDDLESEX HOSPITAL HAS A FORMAL PROCESS FOR ALLOCATION OF SURPLUS FUNDS; A MULTIDISCIPLINARY CAPITAL BUDGETING COMMITTEE MEETS AND SETS PRIORITIES FOR INVESTMENTS IN PATIENT CARE, EDUCATION AND RESEARCH, AND PHYSICAL STRUCTURE. THE APPROACH TAKES INTO CONSIDERATION PATIENT, COMMUNITY AND STAFF NEEDS. EACH YEAR THE HOSPITAL ALLOCATES A PORTION OF SURPLUS FUNDING TO A WIDE ARRAY OF COMMUNITY BENEFIT PROGRAMS AND SERVICE LINES, INCLUDING SUBSTANTIAL HEALTH AND WELLNESS ACTIVITIES AND INITIATIVES, SUBSIDIZED SERVICES, MEDICAL EDUCATION, RESEARCH AND HEALTH ASSESSMENT COSTS.

CONTINUOUS DEDICATION TO THE COMMUNITIES IT SERVES REMAINS THE HALLMARK OF MIDDLESEX HOSPITAL'S VISION, MISSION, AND STRATEGIC PLANNING. AMBITIOUS COMMUNITY BENEFIT GOALS, THE INCORPORATION OF COMMUNITY BENEFIT INTO ANNUAL ORGANIZATIONAL PLANNING, AND THE PROVISION OF COMMUNITY BENEFIT PROGRAMS THAT TARGET THE COMMUNITY'S MOST VULNERABLE AND AT-RISK POPULATIONS HAS ALLOWED THE HOSPITAL TO PUT A FORMAL STRUCTURE AROUND ITS FUNDAMENTAL PURPOSE. THE HOSPITAL'S COMMUNITY BENEFIT TOTAL FOR FY21 WAS \$67,067,572 (EXCLUDING COMMUNITY BUILDING) WITH 65,214 SERVED (EXCLUDING COMMUNITY BUILDING).

THE FOLLOWING IS AN OVERVIEW OF THE HOSPITAL'S COMMUNITY BENEFIT PROGRAM:

COMMUNITY HEALTH IMPROVEMENT SERVICES: THE HOSPITAL UNDERWRITES A VAST RANGE OF COMMUNITY HEALTH EDUCATION AND HEALTH IMPROVEMENT PROGRAMS, NONE

Part VI Supplemental Information (Continuation)

OF WHICH ARE DEVELOPED FOR MARKETING PURPOSES, ALL OF WHICH ARE SUPPORTED AS A MEANS OF FULFILLING THE HOSPITAL'S MISSION TO SERVE ITS COMMUNITY. ALMOST 100% OF THE TIME THESE SERVICES ARE OFFERED FREE OF CHARGE; IN THE RARE INSTANCE WHERE A NOMINAL FEE IS ASSESSED THE COST OF PROVIDING THE SERVICE IS NOT COVERED. COMMUNITY HEALTH EDUCATION IS PROVIDED TO THE COMMUNITY AT LARGE. SOME OF THE PROGRAMS REPRESENT ONE TIME EVENTS, HOWEVER MOST ARE ONGOING AND OVER THE YEARS HAVE BECOME ENTRENCHED IN THE COMMUNITY AS A SOURCE OF SUPPORT AND CONTINUED EDUCATION FOR A HEALTHFUL FUTURE. EXAMPLES OF COMMUNITY HEALTH IMPROVEMENT SERVICES INCLUDE (BUT ARE NOT LIMITED TO): 1) HEALTH EDUCATION (COMMUNITY EDUCATION PRESENTATIONS; HEALTH AND WELLNESS EVENTS/HEALTH FAIRS; SUPPORT GROUPS; LARGE SCALE CANCER AWARENESS AND EDUCATIONAL EVENTS; AND THE AVAILABILITY OF HEALTH LITERATURE); 2) COMMUNITY-BASED CLINICAL SERVICES (CLINICS AND SCREENINGS; ANNUAL FLU SHOTS; BLOOD PRESSURE CLINICS); AND 3) HEALTHCARE SUPPORT SERVICES OFFERED TO INCREASE ACCESS AND QUALITY OF CARE TO INDIVIDUALS, ESPECIALLY THOSE LIVING IN POVERTY AND/OR OTHER VULNERABLE POPULATIONS. IN FY21, THE HOSPITAL'S COMMUNITY HEALTH IMPROVEMENT SERVICES SERVED 15,222 INDIVIDUALS AT A TOTAL COST OF \$2,531,038 TO THE HOSPITAL.

HEALTH PROFESSIONS EDUCATION: HELPING TO PREPARE FUTURE HEALTH CARE PROFESSIONALS IS A LONG-STANDING COMMITMENT OF MIDDLESEX HOSPITAL AND DISTINGUISHING CHARACTERISTIC THAT CONSTITUTES A SIGNIFICANT COMMUNITY BENEFIT. THE HOSPITAL'S FAMILY MEDICINE RESIDENCY PROGRAM GRADUATES FAMILY PRACTICE PHYSICIANS, MANY OF WHOM CONTINUE TO PRACTICE IN THE MIDDLESEX COUNTY AREA AFTER THEIR TRAINING IS COMPLETE. THIS IS ESPECIALLY IMPORTANT GIVEN THAT MIDDLESEX COUNTY HAS BEEN DESIGNATED BY THE HEALTH RESOURCES AND SERVICES ADMINISTRATION (HRSA) TO BE A MEDICALLY UNDERSERVED AREA (MUA) EXPERIENCING A SHORTAGE OF SELECT HEALTH SERVICES WHICH INCLUDES TOO

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

FEW PRIMARY CARE PROVIDERS. IN ADDITION, HRSA REPORTS THAT MIDDLESEX COUNTY IS A HEALTH PROFESSIONAL SHORTAGE AREA (HPSA) FOR PRIMARY MEDICAL CARE. THE HOSPITAL ALSO WELCOMES MEDICAL AND NURSING STUDENT INTERNS AND PROVIDES ON-SITE TRAINING DURING CLINICAL ROTATIONS. NURSING STUDENTS FROM LOCAL COLLEGES AND PROGRAMS RECEIVE HANDS-ON MENTORSHIP IN THE MAJORITY OF CLINICAL SERVICE LINES YEAR-ROUND. OTHER HEALTHCARE PROFESSIONAL EDUCATION INCLUDES THE HOSPITAL'S RADIOLOGY SCHOOL (WHICH OPERATES AT A LOSS FOR THE HOSPITAL) AND CLINICAL/NON-CLINICAL EDUCATIONAL STUDENT TRAINING IN MULTIPLE FIELDS. IN FY21, THE HOSPITAL'S HEALTH PROFESSIONS EDUCATION CATEGORY SERVED 1,080 INDIVIDUALS AT A TOTAL COST OF \$11,624,148 TO THE HOSPITAL.

SUBSIDIZED HEALTH SERVICES: THE HOSPITAL'S SUBSIDIZED HEALTH SERVICES REPRESENT A SIGNIFICANT PORTION OF MIDDLESEX HOSPITAL'S ANNUAL COMMUNITY BENEFIT AGGREGATE FINANCIALS AND NUMBERS SERVED. SUBSIDIZED SERVICES ARE PARTICULAR CLINICAL PROGRAMS PROVIDED TO THE COMMUNITY DESPITE A FINANCIAL LOSS, WITH NEGATIVE MARGINS REMAINING AFTER SPECIFIC DOLLARS (FINANCIAL ASSISTANCE AND BAD DEBT) AND SHORTFALLS (MEDICAID) ARE REMOVED. IN ORDER TO QUALIFY AS A SUBSIDIZED SERVICE, THE PROGRAM MUST MEET CERTAIN HEALTH DELIVERY CRITERIA; MEET AN IDENTIFIED NEED IN THE COMMUNITY; AND WOULD BECOME UNAVAILABLE OR THE RESPONSIBILITY OF A GOVERNMENTAL OR ANOTHER NOT-FOR-PROFIT AGENCY TO PROVIDE IF THE HOSPITAL DISCONTINUED THE SERVICE. MIDDLESEX HOSPITAL'S SUBSIDIZED SERVICES INCLUDE FAMILY PRACTICE SERVICES, BEHAVIORAL HEALTH (INPATIENT AND OUTPATIENT), HOMECARE, PARAMEDICS, HOSPICE, CENTER FOR CHRONIC CARE MANAGEMENT DISEASE MANAGEMENT OUTPATIENT PROGRAMS (ADULT ASTHMA; CHILD ASTHMA; DIABETES EDUCATION AND DISEASE MANAGEMENT; MEDICAL NUTRITION THERAPY; SMOKING CESSATION; CHRONIC HEART FAILURE; AND CHILDHOOD WEIGHT MANAGEMENT); AMBULATORY INFUSION, CARDIAC

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

REHAB, AND WOUND CARE. IN FY21 THE HOSPITAL'S SUBSIDIZED SERVICES SERVED 25,392 PEOPLE WITH A TOTAL COST OF \$20,023,422 TO THE HOSPITAL.

RESEARCH: MIDDLESEX HOSPITAL CONDUCTS RESEARCH IN THE DOMAINS OF CLINICAL AND COMMUNITY HEALTH. CLINICAL EXAMPLES INCLUDE NATIONAL TRIALS BY THE HOSPITAL'S CANCER CENTER FOR BREAST, LUNG, PROSTATE, COLORECTAL, AMONG OTHERS. FOR FY21, THE HOSPITAL'S ASSOCIATED COSTS FOR ALL (NON-INDUSTRY) RESEARCH PROJECTS TOTALED \$294,902 AND SERVED 160 INDIVIDUALS.

FINANCIAL AND IN-KIND CONTRIBUTIONS: MIDDLESEX HOSPITAL SUPPORTS THE COMMUNITY IN THE FORM OF FINANCIAL AND IN-KIND CONTRIBUTIONS. THE HOSPITAL'S MAIN CAMPUS AND SATELLITE LOCATIONS MAKE MEETING SPACE AVAILABLE, FREE-OF-CHARGE AND ON AN ON-GOING BASIS, FOR MANY COMMUNITY GROUPS THAT WOULD OTHERWISE STRUGGLE TO PAY FOR SPACE. IN ADDITION, EACH YEAR THE HOSPITAL MAKES SUBSTANTIAL CASH DONATIONS TO CAREFULLY SELECTED MISSION-DRIVEN COMMUNITY ORGANIZATIONS THROUGHOUT ITS SERVICE AREA. THE HOSPITAL'S FY21 SUPPORT FOR FINANCIAL AND IN-KIND CONTRIBUTIONS TOTALED \$404,622, SERVING 1,339 INDIVIDUALS.

COMMUNITY BENEFIT OPERATIONS: COMMUNITY BENEFIT OPERATIONS INCLUDE ACTIVITIES AND COSTS ASSOCIATED WITH COMMUNITY BENEFIT STRATEGIC PLANNING, ADMINISTRATION, ANNUAL GOAL ATTAINMENT, AND COMMUNITY HEALTH NEEDS ASSESSMENT PRODUCTION AND IMPLEMENTATION. MIDDLESEX HOSPITAL HAS A DEDICATED DIRECTOR OF COMMUNITY BENEFIT AND A REPORTING STRUCTURE THAT OVERSEES COMMUNITY BENEFIT PLANNING AND OPERATIONS. OUTSIDE OF ON-GOING COMMUNITY BENEFIT ACTIVITIES, KEY COMPONENTS OF THE HOSPITAL'S COMMUNITY BENEFIT PROGRAM IS CONDUCTING A COMMUNITY HEALTH NEEDS ASSESSMENT AND DEVELOPING A CHNA IMPLEMENTATION STRATEGY EVERY THREE TAXABLE YEARS,

Part VI Supplemental Information (Continuation)

ENSURING THAT THE CHNA IMPLEMENTATION STRATEGY GOALS ARE ADDRESSED THROUGH COLLABORATION WITH COMMUNITY PARTNERS, AND FOCUSING ON HEALTH EQUITY AND HEALTH-RELATED SOCIAL NEEDS. THE HOSPITAL'S FY21 COMMUNITY BENEFIT OPERATIONS EXPENSE TOTALED \$133,031.

PART VI, LINE 6:

THE ORGANIZATION IS PART OF AN AFFILIATED HEALTH CARE SYSTEM. MIDDLESEX HEALTH IS A FULLY COMPREHENSIVE NETWORK OF EXPERT HEALTH CARE PROVIDERS THAT HAS CONVENIENT LOCATIONS THROUGHOUT CENTRAL CONNECTICUT AND THE SHORELINE. MEMBERS OF THE COMMUNITY ARE ALWAYS CLOSE TO CARE FOR EVERY FAMILY MEMBER AT EVERY AGE. MIDDLESEX HEALTH PROVIDES THE BEST CARE POSSIBLE FOR JUST ABOUT ALL YOUR HEALTH AND WELLNESS NEEDS.

THE ORGANIZATIONS INCLUDED IN THE AFFILIATED HEALTH CARE SYSTEM ARE AS FOLLOWS:

MIDDLESEX HOSPITAL - A NON-PROFIT, ACUTE CARE, COMMUNITY HOSPITAL IN MIDDLETOWN, CT.

MIDDLESEX HEALTH SERVICES PROVIDED HIGH QUALITY ASSISTED LIVING SERVICES TO THE COMMUNITY THROUGH MAY 2021 AND CONTINUES TO SUPPORT THE MISSION OF THE HEALTH SYSTEM.

MHS PRIMARY CARE - PROVIDES PATIENT-CENTERED COMPASSIONATE CARE TO ALL MEMBERS OF THE COMMUNITY.

MIDDLESEX HOSPITAL FOUNDATION - SUPPORTS MIDDLESEX HOSPITAL.

MIDDLESEX HEALTH SYSTEM - PARENT OF AND PROVIDES FUNDRAISING SERVICES FOR MIDDLESEX HOSPITAL.

PART VI, LINE 7, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

CT

Part VI Supplemental Information (Continuation)

PART VI, LINE 7, STATE FILING OF COMMUNITY BENEFIT REPORT:

UNDER THE CONNECTICUT GENERAL STATUTES 19A-127K, HOSPITALS THAT HAVE A COMMUNITY BENEFIT PROGRAM IN PLACE, AS SPECIFIED BY THE STATUTE, ARE REQUIRED TO REPORT BIENNIALY TO THE STATE OF CT. THIS BIENNIAL COMMUNITY BENEFIT REPORTING IS CURRENTLY UNDER THE AUSPICES OF THE STATE OF CONNECTICUT'S OFFICE OF HEALTH STRATEGY. AS MIDDLESEX HOSPITAL MEETS THE STATUTE AS HAVING A COMMUNITY BENEFIT PROGRAM IN PLACE, IT REPORTS BIENNIALY TO THE STATE OF CT'S OFFICE OF HEALTH STRATEGY.

**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 for the latest information.**

OMB No. 1545-0047

2020

**Open to Public
Inspection**

Name of the organization **MIDDLESEX HOSPITAL** Employer identification number **06-0646718**

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 non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
MIDDLESEX CHAMBER OF COMMERCE 393 MAIN STREET MIDDLETOWN, CT 06457	06-0452410	501(C)(3)	60,000.	0.			GENERAL SUPPORT
FRIENDS OF LONG HILL ESTATE 421 WADSWORTH STREET MIDDLETOWN, CT 06457	06-1546991	501(C)(3)	5,000.	0.			GENERAL SUPPORT
CONNECTICUT STATE GOLF ASSOCIATION 35 COLD SPRING ROAD, SUITE 212 ROCKY HILL, CT 06067	22-2587856	501(C)(3)	20,000.	0.			GENERAL SUPPORT

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

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

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

Schedule I (Form 990) 2020

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

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

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

PART I, LINE 2:

THE PUBLIC RELATIONS DEPARTMENT HAS A POLICY REGARDING WHICH ORGANIZATIONS THEY ARE WILLING TO PARTNER WITH AND GIVE GRANTS OR ASSISTANCE. THEN ONCE THE GRANT OR ASSISTANCE IS AWARDED THE PUBLIC RELATIONS DEPARTMENT WORKS CLOSELY WITH EACH OF THE ORGANIZATIONS TO ENSURE THAT THE GRANT OR ASSISTANCE IS USED FOR THE INTENDED PURPOSES. THIS IS DONE BY CONTACT AND ATTENDANCE AT THE SPONSORED EVENTS.

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

2020

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service

Name of the organization: **MIDDLESEX HOSPITAL**
 Employer identification number: **06-0646718**

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 checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

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

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

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

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" 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
1b	X	
2	X	
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2020

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) VINCENT CAPECE, JR. PRESIDENT/CEO	(i)	821,279.	300,000.	275,088.	279,024.	32,502.	1,707,893.	251,670.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) JESSE WAGNER, MD VP QUALITY AND PATIENT SAFETY	(i)	511,030.	123,500.	59,585.	88,874.	33,102.	816,091.	50,738.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) SUSAN MARTIN VP FINANCE/TREASURER	(i)	470,354.	200,600.	28,012.	57,384.	23,430.	779,780.	19,784.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) EVAN JACKSON VP STRATEGIC PLANNING AND CIO	(i)	384,431.	110,000.	37,237.	63,101.	31,672.	626,441.	33,906.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) THEODORE HARTENSTEIN MEDICAL DIRECTOR, UTILIZATION MGMT	(i)	531,580.	32,250.	312.	18,421.	42,811.	625,374.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) DAVID GIUFFRIDA VP FACILITIES AND SUPPORT SERVICES	(i)	351,338.	81,500.	39,444.	67,610.	13,988.	553,880.	34,455.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) JONATHAN BANKOFF CHAIRMAN EMERGENCY MEDICINE	(i)	448,773.	31,750.	462.	27,916.	43,146.	552,047.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) JEFFREY SHELTON CHAIRMAN DEPT PSYCH	(i)	427,759.	18,300.	467.	25,162.	34,407.	506,095.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) BRIAN MCGUIRE MEDICAL DIRECTOR ED	(i)	326,522.	103,426.	467.	29,918.	33,549.	493,882.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) ALAN DOUGLASS DIRECTOR FAMILY MED RESIDENCY PROG	(i)	354,979.	43,000.	717.	39,024.	48,294.	486,014.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) DAVID COSENTINO CHIEF MEDICAL INFORMATION OFFICER	(i)	346,705.	41,500.	707.	33,470.	49,601.	471,983.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) JACQUELYN CALAMARI VP PATIENT CARE SERVICES/CNO	(i)	255,144.	101,500.	31,003.	39,024.	21,347.	448,018.	23,288.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(13) TODD BISHOP CHIEF DEPT OF MED	(i)	367,148.	56,527.	312.	0.	19,500.	443,487.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(14) DONNA STRONESKI VP HUMAN RESOURCES	(i)	301,208.	52,600.	4,915.	58,222.	4,280.	421,225.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(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 1A:

SOCIAL CLUB DUES - REPRESENTS A CORPORATE MEMBERSHIP AT A GOLF CLUB USED FOR VARIOUS BUSINESS PURPOSES. THE ASSOCIATED COST IS INCLUDED IN THE TAXABLE COMPENSATION OF THE EXECUTIVE STAFF MEMBER ACCORDING TO IRS RULES AND REGULATIONS. THIS BENEFIT WAS PROVIDED TO THE FOLLOWING INDIVIDUAL:

VINCENT CAPECE

PART I, LINE 4B:

THE FOLLOWING INDIVIDUALS RECEIVED COMPENSATION FROM A SERP, WHICH WAS INCLUDED IN PART II, COLUMN B(III) AND COLUMN F:

VINCENT CAPECE = \$251,670

SUSAN MARTIN = \$19,784

JESSE WAGNER, MD = \$50,738

DAVID GIUFFRIDA = \$34,455

JACQUELYN CALAMARI = \$23,288

EVAN JACKSON = \$33,906

SERP CONTRIBUTIONS WERE MADE FOR THE FOLLOWING INDIVIDUALS AND ARE INCLUDED IN PART II, COLUMN C:

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.

VINCENT CAPECE = \$240,000

SUSAN MARTIN = \$18,360

JESSE WAGNER, MD = \$49,850

DAVID GIUFFRIDA = \$34,140

EVAN JACKSON = \$38,070

DONNA STRONESKI = \$29,240

PART II, COLUMN (B)(II) - BONUS & INCENTIVE COMPENSATION:

THE AMOUNTS REPRESENT INCENTIVE COMPENSATION PAYMENTS MADE IN CALENDAR YEAR 2020. PAYMENTS INCLUDE AMOUNTS EARNED IN 2019 AND DEFERRED, WHERE APPLICABLE.

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 for instructions and the latest information.**

Name of the organization **MIDDLESEX HOSPITAL** Employer identification number **06-0646718**

Part I Bond Issues											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A CHEFA - SERIES O	06-0806186	20774YWD5	05/19/15	19491965.	REFINANCE L BONDS		X		X		X
B CHEFA - SERIES P	06-0806186	NONE	06/10/16	9,683,000.	REFINANCE M BONDS		X		X		X
C CHEFA - SERIES Q	06-0806186	NONE	11/21/17	9,069,272.	REFINANCE N BONDS		X		X		X
D											

Part II Proceeds										
	A		B		C		D			
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Amount of bonds retired	3,790,000.		4,586,684.		930,561.					
2 Amount of bonds legally defeased										
3 Total proceeds of issue	19,491,965.		10,347,540.		11,599,000.					
4 Gross proceeds in reserve funds										
5 Capitalized interest from proceeds										
6 Proceeds in refunding escrows										
7 Issuance costs from proceeds	388,960.		193,660.		231,980.					
8 Credit enhancement from proceeds										
9 Working capital expenditures from proceeds										
10 Capital expenditures from proceeds										
11 Other spent proceeds	19,103,010.		10,153,880.		11,367,020.					
12 Other unspent proceeds										
13 Year of substantial completion	2015		2016							
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?		X		X		X		X		
15 Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?	X		X		X					
16 Has the final allocation of proceeds been made?	X		X			X		X		
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X					

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

Schedule K (Form 990) 2020

Part III Private Business Use								
	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X		X		X		
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X		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		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								
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								
6 Total of lines 4 and 5								
7 Does the bond issue meet the private security or payment test?		X		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		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		X		

Part IV Arbitrage								
	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		X		
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X		X	X			
b Exception to rebate?		X		X		X		
c No rebate due?	X		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		X		

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

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

SCHEDULE K, PART IV, ARBITRAGE, LINE 2C:

(A) ISSUER NAME: CHEFA - SERIES O
 DATE THE REBATE COMPUTATION WAS PERFORMED: 05/19/2020

(A) ISSUER NAME: CHEFA - SERIES P
 DATE THE REBATE COMPUTATION WAS PERFORMED: 06/10/2021

SCHEDULE K, PART II, LINE 3:
 SERIES P BONDS (COLUMN B) AND SERIES Q BONDS (COLUMN C) - THE DIFFERENCE BETWEEN THE ISSUE PRICE AND THE TOTAL PROCEEDS IS INVESTMENT EARNINGS.

SCHEDULE K, PART II, LINE 11:
 THE AMOUNT INCLUDED IN PART II, LINE 11, OTHER SPENT PROCEEDS FOR THE SERIES O BONDS (COLUMN A) WAS USED TO REFUND THE CHEFA SERIES L BONDS DATED DECEMBER 7, 2006.

THE AMOUNT INCLUDED IN PART II, LINE 11, OTHER SPENT PROCEEDS FOR THE SERIES P BONDS (COLUMN B) WAS USED TO REFUND THE CHEFA SERIES M BONDS DATED DECEMBER 7, 2006.

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

THE AMOUNT INCLUDED IN PART II, LINE 11, OTHER SPENT PROCEEDS FOR THE SERIES Q BONDS (COLUMN C) WAS USED TO PARTIALLY REFUND THE CHEFA SERIES N BONDS DATED JULY 26, 2011. IN ADDITION, \$736 WAS A PREPAYMENT OF INTEREST.

SCHEDULE K, PART III, LINE 3:
SERIES O BONDS (COLUMN A) AND SERIES P BONDS (COLUMN B) - THE ORGANIZATION HAS DETERMINED THAT ALL MANAGEMENT/SERVICE CONTRACTS MEET THE SAFE HARBOR UNDER REV. PROC. 2017-13, 2017-6 I.R.B. 787.

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
DAVID GIUFFRIDA	KEY EMPLOYEE	896,271.	SEE PART V		X
JACQUELYN CALAMARI	KEY EMPLOYEE	144,951.	SEE PART V		X
JESSE WAGNER, MD	KEY EMPLOYEE	55,537.	SEE PART V		X
DAVID COSENTINO	KEY EMPLOYEE	203,491.	SEE PART V		X

Part V Supplemental Information.

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

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF INTERESTED PERSON: DAVID GIUFFRIDA

(D) DESCRIPTION OF TRANSACTION: MIDDLESEX HOSPITAL HAS AN INDEPENDENT CONTRACTOR ARRANGEMENT WITH GUIFFRIDA ELECTRIC, CO., WHICH IS MORE THAN 35% OWNED BY A FAMILY MEMBER OF DAVID GIUFFRIDA.

(A) NAME OF INTERESTED PERSON: JACQUELYN CALAMARI

(D) DESCRIPTION OF TRANSACTION: MIDDLESEX HOSPITAL HAS AN EMPLOYMENT ARRANGEMENT WITH ANNE CALAMARI, LCSW COORDINATOR, WHO IS A FAMILY MEMBER OF JACQUELYN CALAMARI.

(A) NAME OF INTERESTED PERSON: JESSE WAGNER, MD

(D) DESCRIPTION OF TRANSACTION: MIDDLESEX HOSPITAL HAS AN EMPLOYMENT ARRANGEMENT WITH RUTH WAGNER, REGISTERED NURSE, WHO IS A FAMILY MEMBER OF JESSE WAGNER, MD.

(A) NAME OF INTERESTED PERSON: DAVID COSENTINO

(D) DESCRIPTION OF TRANSACTION: MIDDLESEX HOSPITAL HAS AN EMPLOYMENT ARRANGEMENT WITH MEGAN COSENTINO, WHO IS A FAMILY MEMBER OF DAVID COSENTINO.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2020

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ 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 for instructions and the latest information.

Name of the organization **MIDDLESEX HOSPITAL** Employer identification number **06-0646718**

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	8	52,600.	FMV
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** **0**

	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 three years from the date of the initial contribution, and which isn't required to be used for exempt purposes for the entire holding period?		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.		

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, PART I, COLUMN (B):

THE NUMBER IN COLUMN B IS THE NUMBER OF CONTRIBUTIONS.

Multiple horizontal lines for supplemental information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

2020

Open to Public
Inspection

Name of the organization

MIDDLESEX HOSPITAL

Employer identification number

06-0646718

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

MIDDLESEX HOSPITAL IS COMMITTED TO PROVIDING HIGH QUALITY INPATIENT AND
OUTPATIENT HEALTHCARE SERVICES. THE HOSPITAL RECOGNIZES COMMUNITY
TRANSPARENCY AND INTEGRITY AS FUNDAMENTAL RESPONSIBILITIES.

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

MIDDLESEX HOSPITAL IS AN ACUTE CARE GENERAL HOSPITAL SERVING THE
RESIDENTS OF MIDDLESEX COUNTY AND VARIOUS SURROUNDING COMMUNITIES
PROVIDING SELECTED HIGH-QUALITY INPATIENT AND OUTPATIENT HEALTH
SERVICES. THE HOSPITAL MAINTAINS FORMAL RELATIONSHIPS WITH SPECIALIZED
PROVIDERS TO ASSURE COORDINATION OF CARE WHEN SERVICES ARE NOT LOCALLY
AVAILABLE. AN INTEGRAL PART OF THE CORE PROGRAMS, SPANNING THEIR
TRADITIONAL DIAGNOSTIC AND TREATMENT SERVICES, ARE THE SCORES OF
SPECIAL PROGRAMS OFFERED TO THE COMMUNITIES SERVED, MANY OF WHICH FOCUS
ON THE DISADVANTAGED AND UNDERSERVED, THOSE SPECIAL POPULATIONS SUCH AS
MINORITIES, OLDER PERSONS, PERSONS LIVING IN POVERTY WITH DISABILITIES,
CHRONICALLY MENTALLY ILL PERSONS, AND OTHER DISENFRANCHISED PERSONS.
MANY OTHER SPECIAL PROGRAMS WITH A FOCUS TO REACH OUT TO ALL MEMBERS OF
THE COMMUNITY REGARDLESS OF ECONOMIC CONDITION OR SOCIAL STATUS RESPOND
TO PUBLIC HEALTH NEEDS AND INVOLVE EDUCATION OR RESEARCH THAT IMPROVES
OVERALL COMMUNITY HEALTH. ALL OF THESE SPECIAL PROGRAMS ARE OFFERED
FREE OF CHARGE OR OFFERED AT A RATE THAT IS CONSIDERABLY LESS THAN THE
COST OF PROVIDING THEM.

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

IN THE FISCAL YEAR ENDING 9/30/21, INPATIENT CARE REPRESENTED 12,891

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

Schedule O (Form 990 or 990-EZ) 2020

032211 11-20-20

Name of the organization MIDDLESEX HOSPITAL	Employer identification number 06-0646718
--	--

DISCHARGES AND 54,527 PATIENT CARE DAYS. INPATIENT CARE FROM REGISTRATION THROUGH DISCHARGE IS CAREFULLY MANAGED TO EXCEED REGULATORY REQUIREMENTS AND ENSURE QUALITY, PATIENT SATISFACTION, AND BEST PRACTICE WITH EACH ASPECT OF THE INPATIENT EXPERIENCE, INCLUDING ALL ELEMENTS OF CARE FROM NURSING COMPETENCY AND COMPASSION, TO MEAL QUALITY, LAB AND DIAGNOSTIC TESTING, SAFE AND SECURE PHYSICAL SURROUNDINGS TO PATIENT EDUCATION.

MIDDLESEX HOSPITAL, LICENSED FOR 275 BEDS AND 22 BASSINETS, PROVIDES ACUTE CARE FROM DEDICATED HEALTH CARE TEAMS WHICH INCLUDE SURGEONS, HOSPITALISTS, FAMILY PRACTITIONERS AND RESIDENTS, MEDICAL STAFF PHYSICIANS, MAGNET NURSES, PHYSICIAN ASSISTANTS, PATIENT CARE TECHNOLOGISTS, DIAGNOSTIC TECHNICIANS, PATHOLOGISTS, ADMINISTRATORS, ENVIRONMENTAL SERVICES, SECURITY, ENGINEERING AND A HOST OF OTHERS WORKING TOGETHER TO ENABLE THE ORGANIZATION'S SUCCESS.

THE HOSPITAL UNITS INCLUDING INTENSIVE AND CRITICAL CARE, MEDICAL SURGICAL, ONCOLOGY, ORTHOPEDIC, PULMONOLOGY, VASCULAR AND CARDIOLOGY, GASTROINTESTINAL, MATERNITY, A 20-BED PSYCHIATRIC FLOOR, AND HOSPICE SERVICES SPECIALIZE IN THE SPECIFIC NEEDS OF THEIR PATIENTS AND ARE STAFFED TO ACCOMMODATE THE UNIQUE TREATMENT REQUIREMENTS OF EACH. ALL ANCILLARY SERVICES INCLUDING LABS, RADIOLOGY, FOOD SERVICES, PATHOLOGY, PHARMACY, MEDICAL TRANSCRIPTION AND INFORMATION SERVICES TOO ARE A PART OF THE HOSPITAL TEAM. PATIENT CARE IS DEVELOPED WITH FULL CONSIDERATION OF THE WHOLE INDIVIDUAL, AS THEY ARE ASSIGNED TO CONDITION SPECIFIC CARE PATHWAYS AND SERVICES TO SECURE BEST TREATMENT AND RECOVERY.

FORM 990, PART VI, SECTION A, LINE 6:

Name of the organization MIDDLESEX HOSPITAL	Employer identification number 06-0646718
--	--

THE SOLE MEMBER OF THE HOSPITAL IS MIDDLESEX HEALTH SYSTEM, INC.

FORM 990, PART VI, SECTION A, LINE 7A:

THE SOLE MEMBER, MIDDLESEX HEALTH SYSTEM, INC. HAS THE RIGHT TO ANNUALLY ELECT THE BOARD OF DIRECTORS OF THE HOSPITAL.

FORM 990, PART VI, SECTION A, LINE 7B:

THE SOLE MEMBER, MIDDLESEX HEALTH SYSTEM, INC., HAS ALL RIGHTS CONFERRED BY LAW, THE CERTIFICATE OF INCORPORATION AND MIDDLESEX HOSPITAL BY-LAWS, BY VOTE OF ITS BOARD OF DIRECTORS, ITS PRESIDENT, OR BY OR THROUGH ANY OTHER PERSON(S) DESIGNATED BY ITS BOARD OF DIRECTORS IN ITS BEHALF.

FORM 990, PART VI, SECTION B, LINE 11B:

A DRAFT COPY OF THE FORM 990 IS PROVIDED TO EACH BOARD MEMBER FOR THEIR REVIEW AND CHANGES FROM PRIOR YEAR ARE HIGHLIGHTED. ANY QUESTIONS OR COMMENTS THEY HAVE ARE PRESENTED TO EXECUTIVE MANAGEMENT. A COMPLETE COPY OF THE FINAL FORM 990 IS PROVIDED TO ALL MEMBERS OF THE BOARD PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

CONFLICT OF INTEREST FORMS ARE DISTRIBUTED ANNUALLY TO KEY EMPLOYEES, OFFICERS, AND THE BOARD OF DIRECTORS. RESPONSES ARE RETURNED TO, TRACKED, AND REVIEWED BY THE SYSTEM COMPLIANCE OFFICER. MATERIAL CONFLICTS ARE REPORTED TO THE AUDIT COMMITTEE FOR REVIEW AND DETERMINATION.

IN ADDITION TO COMPLETING THE ANNUAL CONFLICT OF INTEREST FORM, BOARD MEMBERS MUST IMMEDIATELY DISCLOSE ANY INTEREST AND ALL MATERIAL FACTS TO THE BOARD OF DIRECTORS, AS THEY OCCUR. THE BOARD THEN REVIEWS THE FACTS AND

Name of the organization MIDDLESEX HOSPITAL	Employer identification number 06-0646718
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MAKES THE DETERMINATION AS TO WHETHER A SIGNIFICANT CONFLICT OF INTEREST EXISTS. IF SO, THE BOARD FOLLOWS DISABLING GUIDELINES TO DETERMINE IF THE BOARD MEMBER SHOULD BE ASKED TO RESIGN OR BE REMOVED.

FORM 990, PART VI, SECTION B, LINE 15:

THE COMPENSATION OF THE PRESIDENT/CEO IS REVIEWED ANNUALLY BY THE EXECUTIVE COMPENSATION COMMITTEE. THE COMMITTEE HAS A CHARTER AND A POLICY STATEMENT SETTING FORTH A PROCESS AND CERTAIN GUIDELINES FOR DETERMINING COMPENSATION, WHICH INCLUDES A BASE SALARY AND AN INCENTIVE COMPENSATION WITHIN A RANGE SET BY THE POLICY. FOLLOWING THE CLOSE OF EACH FISCAL YEAR, THE COMMITTEE RECEIVES MARKET ANALYSIS FROM AN INDEPENDENT CONSULTANT REGARDING COMPENSATION AT PEER GROUPS OF COMPARABLE HOSPITALS AND HEALTH SYSTEMS. COMPENSATION IS COMPARED TO BENCHMARKS WITH RESPECT TO CASH COMPENSATION AND TOTAL COMPENSATION INCLUDING FRINGE BENEFITS. THE INDEPENDENT CONSULTANT PROVIDES A WRITTEN OPINION ANNUALLY CONFIRMING THAT THE COMPENSATION AS ADJUSTED BY THIS PROCESS, IS "REASONABLE" WITHIN APPLICABLE IRS GUIDELINES. THE COMPENSATION IS APPROVED BY THE COMMITTEE AND DOCUMENTED IN THE MINUTES. THE LAST COMPENSATION REVIEW OCCURRED 12/2020.

THE COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES IS REVIEWED ANNUALLY BY THE EXECUTIVE COMPENSATION COMMITTEE WHICH HAS A CHARTER AND A POLICY STATEMENT SETTING FORTH A PROCESS AND CERTAIN GUIDELINES FOR DETERMINING COMPENSATION, WHICH INCLUDES A BASE SALARY AND THE OPPORTUNITY FOR INCENTIVE COMPENSATION WITHIN A RANGE SET BY THE POLICY. FOLLOWING THE CLOSE OF EACH FISCAL YEAR, THE COMMITTEE RECEIVES MARKET ANALYSIS FROM AN INDEPENDENT CONSULTANT REGARDING COMPENSATION AT PEER GROUPS OF COMPARABLE HOSPITALS AND HEALTH SYSTEMS. POSITIONS WITHIN THE EXECUTIVE TEAM ARE

Name of the organization MIDDLESEX HOSPITAL	Employer identification number 06-0646718
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COMPARED TO BENCHMARK POSITIONS BOTH WITH RESPECT TO CASH COMPENSATION AND TOTAL COMPENSATION INCLUDING FRINGE BENEFITS. THE CEO RECOMMENDS THE INCENTIVE AWARDS AND BASE SALARY ADJUSTMENTS TO THE COMPENSATION OF THE EXECUTIVES WHO REPORT TO HIM, AND THE COMMITTEE REVIEWS THOSE RECOMMENDATIONS, AND APPROVES OR MODIFIES THEM. THE CONSULTANT PROVIDES A WRITTEN OPINION ANNUALLY CONFIRMING THAT THE COMPENSATION OF THE EXECUTIVES, AS ADJUSTED BY THIS PROCESS, IS "REASONABLE" WITHIN APPLICABLE IRS GUIDELINES. THE COMPENSATION OF THESE OTHER OFFICERS AND KEY EMPLOYEES IS APPROVED BY THE COMMITTEE AND DOCUMENTED IN THE MINUTES. THE LAST COMPENSATION REVIEW OCCURRED 12/2020.

FORM 990, PART VI, SECTION C, LINE 19:

MIDDLESEX HOSPITAL MAINTAINS A QUALITY AND COMPLIANCE SECTION ON ITS WEBSITE, MIDDLESEXHOSPITAL.ORG. THE HOSPITAL POSTS THE MOST CURRENT AUDITED FINANCIAL STATEMENTS AND FORM 990 WITH THOSE OF OTHER AFFILIATES AS THEY BECOME AVAILABLE, AS WELL AS STATEMENTS AND FORMS FROM AT LEAST TWO PREVIOUS FISCAL YEARS. THE HOSPITAL'S CONFLICT OF INTEREST POLICY IS ALSO POSTED ON THE WEBSITE IN THE VENDORS AND SUPPLIERS SECTION. IN ADDITION, THE ORGANIZATION'S FORM 990 IS AVAILABLE AT WWW.GUIDESTAR.ORG AND UPON REQUEST.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

TRANSFER (TO) / FROM MIDDLESEX HEALTH SERVICES, INC.	3,628,279.
TRANSFER (TO) / FROM MIDDLESEX HEALTH SYSTEM, INC.	-19,828,696.
CHANGE IN ASSETS HELD IN TRUST	543,932.
CHANGE IN TEMP RESTRICTED NET ASSETS	-1,166,695.
TOTAL TO FORM 990, PART XI, LINE 9	-16,823,180.

Name of the organization MIDDLESEX HOSPITAL	Employer identification number 06-0646718
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FORM 990, PART XII, LINE 2C:

THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

FORM 990, PART XII, LINE 3B:

MIDDLESEX HOSPITAL DOES NOT HAVE A SEPARATE AUDIT PERFORMED UNDER THE SINGLE AUDIT ACT AND OMB CIRCULAR A-133. MIDDLESEX HOSPITAL IS INCLUDED IN THE A-133 AUDIT PERFORMED FOR MIDDLESEX HEALTH SYSTEM FOR PURPOSES OF THE A-133 AUDIT. THE RELEVANT ACTIVITIES AND EXPENDITURES OF MIDDLESEX HOSPITAL ARE REVIEWED AND THE RESULTS ARE INCLUDED IN THE SINGLE A-133 AUDIT REPORT FOR MIDDLESEX HEALTH SYSTEM.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

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

OMB No. 1545-0047

2020

Open to Public Inspection

Name of the organization

MIDDLESEX HOSPITAL

Employer identification number

06-0646718

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
MIDDLESEX HEALTH SYSTEM, INC. - 22-2676137 28 CRESCENT STREET MIDDLETOWN, CT 06457	SUPPORT	CONNECTICUT	501(C)(3)	LINE 12B, II	N/A		X
MIDDLESEX HEALTH SERVICES, INC. - 22-2676140 28 CRESCENT STREET MIDDLETOWN, CT 06457	ASSISTED LIVING	CONNECTICUT	501(C)(3)	LINE 10	MIDDLESEX HEALTH SYSTEM, INC.		X
MIDDLESEX HOSPITAL FOUNDATION, INC. - 27-3720822, 28 CRESCENT STREET, MIDDLETOWN, CT 06457	SUPPORT	CONNECTICUT	501(C)(3)	LINE 12B, II	MIDDLESEX HOSPITAL	X	
MHS PRIMARY CARE, INC. - 06-1472743 28 CRESCENT STREET MIDDLETOWN, CT 06457	HEALTHCARE	CONNECTICUT	501(C)(3)	LINE 10	MIDDLESEX HEALTH SYSTEM, INC.		X

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

Schedule R (Form 990) 2020

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

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

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

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

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

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

Electronic Filing PDF Attachment

**MIDDLESEX HEALTH SYSTEM, INC.
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020

CONTENTS

INDEPENDENT AUDITOR'S REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
CONSOLIDATED BALANCE SHEETS	3
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS	4
CONSOLIDATED STATEMENTS OF CASH FLOWS	6
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	7
SUPPLEMENTAL INFORMATION	
CONSOLIDATING BALANCE SHEET - 2021	43
CONSOLIDATING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS - 2021	45

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Middlesex Health System, Inc. and Subsidiaries

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Middlesex Health System, Inc. and Subsidiaries (the System), a not-for-profit, non-stock corporation, which comprise the consolidated balance sheets as of September 30, 2021 and 2020, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

(Continued)

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Middlesex Health System, Inc. and Subsidiaries as of September 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidating Balance Sheet and Consolidating Statement of Operations and Changes in Net Assets are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual companies, and are not a required part of the consolidated financial statements. Such information is presented for purposes of additional analysis 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 consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.


Crowe LLP

West Hartford, Connecticut
December 21, 2021

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
	<i>(In thousands)</i>	
ASSETS		
Current assets		
Cash and cash equivalents	\$ 62,271	\$ 73,399
Short-term investments	37,437	53,441
Net patient accounts receivable	38,025	39,952
Net patient customer contracts	11,054	8,062
Other receivables	5,292	2,590
Prepaid and other current assets	7,128	5,447
Current portion of investments limited as to use	429	1,228
Total current assets	161,636	184,119
Investments limited as to use	191,869	161,665
Long-term investments	24,389	23,095
Right-of-use assets (see Note 8)	21,921	-
Other assets	10,628	10,772
Property and equipment, net	234,396	251,710
Total assets	\$ 644,839	\$ 631,361
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of long-term debt and capital lease obligations	\$ 8,230	\$ 10,901
Line of credit	-	6,000
Current portion of operating lease liabilities (see Note 8)	5,471	-
Current portion of third party advance reimbursement	27,947	8,960
Accounts payable	20,561	28,738
Accrued payroll and related liabilities	43,183	36,872
Other accrued liabilities	2,736	3,032
Current portion of estimated self-insurance liabilities	3,308	2,864
Total current liabilities	111,436	97,367
Other liabilities		
Long-term debt and capital lease obligations, less current portion	48,065	60,600
Operating lease liabilities, less current portion (see Note 8)	16,641	-
Estimated self-insurance liabilities, less current portion	24,446	21,849
Long-term portion of third party advance reimbursement	-	27,943
Other liabilities including estimated third-party settlements	21,415	22,309
Total other liabilities	110,567	132,701
Total liabilities	222,003	230,068
Net assets		
Assets without donor restrictions	401,953	381,830
Assets with donor restrictions	20,883	19,463
Total net assets	422,836	401,293
Total liabilities and net assets	\$ 644,839	\$ 631,361

See accompanying notes to the consolidated financial statements.

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
	<i>(In thousands)</i>	
Operating revenues:		
Net patient service revenue	\$ 460,075	\$ 415,769
Other revenues (see Note 4)	<u>21,008</u>	<u>48,904</u>
 Total operating revenues	 481,083	 464,673
Operating expenses:		
Salaries, wages and fees	239,347	230,538
Fringe benefits	47,557	44,506
Purchased services	48,919	50,931
Supplies	49,189	44,444
Depreciation and amortization	29,910	26,630
State hospital tax (see Note 2)	31,075	22,781
Interest	2,254	1,904
Other operating expenses	<u>42,404</u>	<u>45,674</u>
 Total operating expenses	 <u>490,655</u>	 <u>467,408</u>
 Loss from operations	 (9,572)	 (2,735)
Non-operating income (expense)		
Net income from joint ventures and general partnerships	2,274	2,356
Gifts and bequests without donor restrictions	835	474
Net investment income	15,395	5,106
Unrealized gains on equity securities	10,891	3,997
Other non-operating expenses	<u>(34)</u>	<u>(2)</u>
 Total non-operating income	 <u>29,361</u>	 <u>11,931</u>
 Excess of revenues over expenses	 <u>\$ 19,789</u>	 <u>\$ 9,196</u>

See accompanying notes to the consolidated financial statements.

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS (Continued)
Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
	<i>(In thousands)</i>	
Assets without donor restrictions:		
Excess of revenues over expenses	\$ 19,789	\$ 9,196
Change in net unrealized gains	236	580
Net assets released from restrictions for purchase of property and equipment	<u>98</u>	<u>215</u>
Change in assets without donor restrictions	20,123	9,991
Assets with donor restrictions:		
Contributions	887	1,438
Restricted investment income	327	147
Change in net unrealized gains	955	1,259
Change in assets held in trust	543	115
Net assets released from restrictions for purchase of property and equipment	(98)	(215)
Net assets released from restriction for operations	<u>(1,194)</u>	<u>(1,206)</u>
Change in assets with donor restrictions	1,420	1,538
Change in net assets	21,543	11,529
Net assets, beginning of year	<u>401,293</u>	<u>389,764</u>
Net assets, end of year	<u>\$ 422,836</u>	<u>\$ 401,293</u>

See accompanying notes to the consolidated financial statements.

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
	<i>(In thousands)</i>	
Cash flows from operating activities		
Change in net assets	\$ 21,543	\$ 11,529
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization on property and equipment including leased assets	30,101	26,630
Restricted contributions	(887)	(1,438)
Change in assets held in trust	(543)	(115)
Change in net unrealized and realized gains on investments	(26,583)	(5,286)
Equity earnings in joint ventures	(2,274)	(2,359)
Change in assets and liabilities		
Net patient accounts receivable	1,927	(2,288)
Net patient customer contracts	(2,992)	2,841
Other receivables	(2,702)	1,276
Prepaid and other assets	(1,192)	2,594
Accounts payable and other accrued liabilities	(8,177)	2,272
Accrued payroll and related liabilities	6,311	3,950
Estimated self-insurance liabilities	3,041	(392)
Third party advance reimbursement	(8,956)	36,903
Other liabilities including estimated third-party settlements	(1,190)	5,911
Net cash provided by operating activities	7,427	82,028
Cash flows from investing activities		
Purchases of property and equipment	(12,596)	(45,538)
Short-term investments	16,004	(38,682)
Long-term investments	(1,294)	(1,144)
Proceeds from sales of investments limited as to use	65,779	35,317
Purchases of investments limited as to use	(68,058)	(36,804)
Distributions from joint ventures	1,929	1,565
Net cash provided by (used in) investing activities	1,764	(85,286)
Cash flows from financing activities		
Proceeds from issuance of long-term debt	75	35,799
Proceeds from line of credit	-	6,000
Repayment of long-term debt and capital lease obligations	(15,281)	(10,581)
Repayment of line of credit	(6,000)	-
Restricted contributions	887	1,438
Net cash (used in) provided by financing activities	(20,319)	32,656
Change in cash and cash equivalents	(11,128)	29,398
Cash and cash equivalents at beginning of year	73,399	44,001
Cash and cash equivalents at end of year	\$ 62,271	\$ 73,399
Supplemental and non-cash disclosures of cash flow information		
Cash paid for interest	\$ 2,207	\$ 1,916
Cash paid for amounts included in the measurement of lease liabilities	\$ 5,511	\$ -
Leased obligations arising from right-of-use assets from leases	\$ 27,505	\$ -

See accompanying notes to the consolidated financial statements.

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 1 - GENERAL

Organization: Middlesex Health System, Inc. (the Corporation) is a not-for-profit, non-stock Connecticut holding company. The Corporation is the sole member/shareholder of its wholly owned subsidiaries as follows: Middlesex Hospital (the Hospital), Middlesex Health Services, Inc. (Services), Middlesex Health Resources, Inc. (Resources), MHS Primary Care, Inc. (MHSPC) dba Middlesex Medical Group (MMG), and Integrated Resources for the Middlesex Area, L.L.C. (IRMA). Middlesex Hospital is a not-for-profit acute care hospital and also has a 50% ownership in the Middlesex Center for Advanced Orthopedic Surgery, LLC. As of September 30, 2020, the Hospital also has equity ownership in Community Hospital Alternative for Risk Transfer, a Reciprocal Risk Retention Group. Services operates an assisted living facility. During May 2021, Services ceased operations. Resources owns and manages certain real estate and has an interest in a collection agency joint venture. In November 2019, Resources sold its interest in the joint venture. MMG owns and operates physician practices. IRMA is inactive. In addition to serving as the sole member/shareholder of the subsidiary organizations, the Corporation directs all the fund raising activities on their behalf. The Corporation and its subsidiaries are collectively referred to as (the System).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation: The accompanying consolidated financial statements include the accounts of the System. All intercompany accounts and transactions have been eliminated.

Basis of Presentation: The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

Adoption of New Accounting Pronouncement: During February 2016, the FASB issued a new standard, Accounting Standards Update (ASU) 2016-02 "Leases (Topic 842)" (ASC 842) related to leases to increase transparency and comparability among organizations by requiring the recognition of right-of-use assets and lease liabilities on the consolidated balance sheets. The most prominent among the changes in the standard is the recognition of right-of-use assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from such leases.

The System has adopted ASC 842 as of October 1, 2020 using the cumulative effect transition approach. The cumulative effect transition approach provides a method for recording existing leases at adoption and not restating comparative periods, rather the effect of the change is recorded at the beginning of the year of adoption. In addition, the System elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed the System to carry forward the historical lease classification.

The standard had a material impact in the System's consolidated balance sheets but did not have an impact to the System's consolidated statements of operations and changes in net assets. The most significant impact was the recognition of right-of-use assets and lease liabilities for operating leases which amounted to \$21,921 and \$22,112, respectively, as of September 30, 2021. The standard did not have a material impact on the accounting for finance leases as of September 30, 2021.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

At the inception of an arrangement, management determines whether the arrangement is or contains a lease based on the unique facts and circumstances present. Operating leases are included in right-of-use assets, current portion of operating lease liabilities and operating lease liabilities in the consolidated balance sheets.

Right-of-use assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the leases do not provide an implicit rate, the System has elected to use the practical expedient provided by ASC 842 and utilize a U.S. Treasury rate with a similar duration to the lease at commencement date in determining the present value of lease payments. The System uses the implicit rate when readily determinable. The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. The System's lease terms may include options to extend or terminate the lease when it is reasonably certain that the System will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Most leases with a term greater than one-year are recognized on the consolidated balance sheets as right-of-use assets with lease liabilities. The System has elected not to recognize on the consolidated balance sheets leases with terms of one-year or less.

Use of Estimates: The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that impact the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also impact the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The System's significant estimates relate to revenue recognition of amounts due to and from third-party payers, the estimation of self-insured professional liabilities and other contingent liabilities and recognition of grant funds. There is at least a reasonable possibility that certain estimates will change by material amounts in the near term. Actual results could differ from those estimates.

Cash and Cash Equivalents: The System considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents. Cash balances maintained at banks are insured by the Federal Deposit Insurance Corporation (FDIC). In general, the FDIC insures cash balances up to \$250,000 per depositor, per bank. Amounts in excess of the FDIC limits are uninsured. It is the System's policy to monitor the financial strength of its banks on an ongoing basis. Amounts limited as to use by the Board of Directors or under other restrictions are excluded from cash and cash equivalents.

Short-Term Investments: Short-term investments are primarily corporate bonds and commercial paper, with maturities of three to twelve months. Amounts limited as to use by the Board of Directors or under other restrictions are excluded from short-term investments.

Investments in Joint Ventures: The System has invested in joint ventures, which are accounted for under the equity method of accounting. The joint ventures balances are included in other assets on the consolidated balance sheets.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Patient Accounts Receivable: The accounts receivable balance represents the unpaid amounts billed to patients and third-party payors for services performed under contracts. Historical collections are utilized to report receivables for patient care services at net realizable value. The System does not accrue interest on any of its accounts receivable.

Net Patient Customer Contracts: The net patient customer contracts balance represents amounts due for services performed under contracts with patients which have not yet been billed to patients or third-party payors. Historical collections are utilized to report patient customer contracts at net realizable value.

Long-Lived Assets: The System reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its fair value and may not be recoverable. If long-lived assets are deemed to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value. Assets to be disposed of are reported at the lower of the carrying amount or the fair value, less costs to sell. As of September 30, 2021 and 2020, no impairment was recorded.

Inventories: Inventories, included in prepaid expenses and other current assets, are valued at average cost and are used in the provision of patient care.

Investments: The System accounts for its investments in debt securities in accordance with FASB ASC 320, "*Investments - Debt Securities*." Management determines the appropriate classification of its investments in debt securities at the time of purchase and re-evaluates such determination at each balance sheet date. The System accounts for its unrestricted equity investments in accordance with FASB ASC 321, "*Investments - Equity Securities*". Under FASB ASC 321, unrestricted equity securities are carried at fair value, with changes in fair value reported in the profit indicator of excess of revenues over expenses within non-operating income. All of the System's investments in debt securities as of September 30, 2021 and 2020 were classified as available-for-sale. Available-for-sale securities are carried at fair value. Unrealized gains and losses relating to available-for-sale debt securities are excluded from excess of revenues over expenses and recorded as a component of net assets, except when certain declines represent an other than temporary impairment, as further discussed below.

Realized investment gains and losses on investments sold, determined on a specific identification basis, are included in excess of revenues over expenses, unless the income is restricted by donor or law. The amortized cost of debt securities are adjusted using the straight line method, which approximates the amortization of premiums and accretion of discounts. Such amortization and accretion are included in depreciation and amortization on the consolidated statements of operations and changes in net assets. Investment income is recorded on the accrual basis. Investment income (including realized gains and losses on investments, interest and dividends) is included in excess of revenues over expenses, unless the income is restricted by donor or law. Investment income includes realized gains and losses without donor restrictions and interest and dividends from Board-designated funds without donor restrictions and donor-restricted funds included in investments limited as to use on the accompanying consolidated balance sheets. Income on short-term investment funds held by a trustee and assets deposited in the Hospital's self-insurance trust fund are reported as other revenue. If donor or law restricts the investment income, the realized investment income and losses from the donor-restricted investments are added to net assets with donor restrictions.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

Other Than Temporary Impairment of Investments: The System accounts for other than temporary impairments of debt securities in accordance with FASB ASC 320. When a decline in fair market value is deemed to be other than temporary, a provision for impairment is charged to earnings, included in non-operating income, and the cost basis of that investment is reduced. The System's management reviews several factors to determine whether a loss is other than temporary, such as the length of time a security is in an unrealized loss position, extent to which the fair value is less than cost, the financial condition and near term prospects of the issuer and the System's intent and ability to hold the security for a period of time sufficient to allow for any anticipated recovery in fair value. No impairment losses were recognized in 2021 and 2020.

Investments Limited as to Use: Investments limited as to use include assets set aside by the Board for future unspecified uses and to support education and other programs. The Board retains control over these funds and may, at its discretion, subsequently authorize the use of these funds for any purpose. Investments limited as to use also include donor restricted assets, assets held in a perpetual trust, assets held by trustees under revenue bond agreements and a self-insurance trust arrangement. The System has been named as a participating beneficiary in a perpetual trust. Under the terms of that trust, the System has the irrevocable right to receive income earned on the trust assets in perpetuity. The estimated fair value of the future payments to the System are recorded at fair value of the perpetual trust based on the System's participation.

Fair Value Measurements: The System measures fair value in accordance with FASB ASC 820, "*Fair Value Measurements and Disclosures*," which defines fair value, establishes a framework for measuring fair value and requires certain disclosures about fair value measurements. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets and liabilities in active markets the System has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets and liabilities in active markets;
- Quoted prices for identical or similar assets and liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Deferred Financing Costs: Deferred financing costs represent costs incurred to obtain long-term financing. Amortization of these costs is provided over the term of the applicable indebtedness using a method which does not differ materially from the effective interest method. Such amortization expense is included in depreciation and amortization in the accompanying consolidated statements of operations and changes in net assets. These costs are a reduction of long-term debt as the System has adopted FASB ASU 2015-03, "*Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*".

Property and Equipment: Property and equipment acquisitions are recorded at cost. Property and equipment donated to the System are recorded at fair value at the date of receipt. Improvements and major renewals are capitalized, and maintenance and repairs are charged to expense as incurred.

Depreciation is provided over the estimated useful life of each class of asset and is computed using the straight-line method. Estimated useful lives range from 3 to 10 years for equipment and 20 to 40 years for buildings and land improvements. A leased building is amortized over the capital lease term of 25 years.

Regulatory Environment: The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, Medicare and Medicaid fraud and abuse and security and privacy of health information. Government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the Hospital and MMG are in compliance with fraud and abuse regulations, as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

The State of Connecticut Public Act No. 11-6, "*An Act Concerning the Budget for the Biennium Ending June 30, 2013 and Other Provisions Relating to Revenue*," includes a tax on the net patient revenues of hospitals and changes to the Disproportionate Share Hospital (DSH) payments to hospitals effective for the State's fiscal year beginning July 1, 2011. Subsequent changes have been made to this public act. In 2020, the Hospital incurred a tax of \$31,876 and received supplemental payment revenue of \$21,746. This transaction resulted in a negative impact on its income from operations of \$10,130. During 2021, additional supplemental payments were made by the State of Connecticut and the Hospital received \$22,591. In 2021, the Hospital continued to pay tax on its net patient service revenues, which amounted to \$31,075. The total combined negative impact on its income from operations was \$8,484 in fiscal year 2021. The Hospital records the supplemental payments as a net adjustment to contractual allowances within net patient service revenue on the consolidated statements of operations and changes in net assets.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

During December 2019, Connecticut hospitals reached a settlement with the State of Connecticut regarding a pending lawsuit surrounding the net patient services revenue tax imposed on hospitals in the state in prior years. Under the settlement, Connecticut hospitals will receive \$1,800,000 in state and federal funds between 2019 and 2026 to resolve the lawsuit. The agreement includes a one-time payment of \$79,000 to the industry, along with steadily declining taxes on hospitals and increasing state payments to facilities. During 2020, the Hospital received \$9,095 as their allocation of the settlement, which is recorded within state hospital tax on the consolidated statements of operations and changes in net assets.

The Hospital is required to file annual operating information with the State of Connecticut Office of Health Strategy (OHS).

Donor Restricted Gifts, Contributions and Pledges: The System encourages contributions and donations for capital replacement and expansion or other specific purposes. Unconditional promises to give cash and other assets to the System are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. Unconditional promises to give are recorded as pledges receivable and are included within other receivables on the consolidated balance sheets. As of 2021 and 2020, pledges receivable included in other receivables were approximately \$437 and \$417, respectively.

When a donor restriction expires, that is, when the stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets, as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated statements of operations and changes in net assets.

Estimated Self-Insurance Liability: The Hospital has adopted a policy of self-insuring the deductible portion of its medical malpractice and general liability insurance coverage. During 2019, MHSPC also began self-insuring the deductible portion of its medical malpractice and general liability insurance coverage. The deductible limits were \$1,000 per claim and \$3,000 in the aggregate annually during 2021 and 2020. The System, in consultation with its actuary, records as a liability an estimate of expected losses. Such liability at September 30, 2021 and 2020 totaled \$14,286 and \$12,456, respectively.

In addition, the Hospital and Services self-insure the workers' compensation program and have purchased excess insurance for those losses exceeding \$700 per occurrence during 2021 and 2020. During 2019, MHSPC also began self-insuring its workers' compensation program. The System, in consultation with its actuary, records as a liability an estimate of expected losses relating to the workers' compensation program. Such liability, discounted at 2.5% totaled \$6,521 and \$6,098 at September 30, 2021 and 2020, respectively.

Lastly, the Hospital has recognized estimated insurance claims receivable and estimated insurance claims liabilities of approximately \$6,947 and \$6,159 at September 30, 2021 and 2020, respectively. Such amounts represent the actuarially determined present value of insurance claims, excess of the self-insured retentions, that are anticipated to be covered by insurance. The estimated insurance claims receivable and estimated insurance claims liabilities are included in other assets and estimated self-insurance liability, respectively, in the accompanying consolidated balance sheets.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Asset Categories: To ensure observance of limitations and restrictions placed on the use of resources available to the System, the accounts of the System are maintained in the following net asset categories:

With donor restrictions - Net assets with donor restrictions are net assets that are subject to donor-imposed restrictions.

Without donor restrictions - Net assets without donor restrictions are net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the System. Net assets without donor restrictions include undesignated net assets and net assets that are Board designated for endowment.

Excess of Revenue Over Expenses: The consolidated statements of operations and changes in net assets include excess of revenue over expenses as the performance indicator. Changes in net assets which are excluded from the performance indicator include the change in net unrealized gains or losses on debt securities, equity transfers to and from affiliates, restricted contributions and investment income, changes in perpetual trust arrangements and net assets released from restrictions for purchase of property and equipment.

Transactions deemed by management to be ongoing, major or central to the provision of health care services are reported as operating revenue and operating expenses and are included in income from operations. Peripheral transactions or transactions of an infrequent nature are excluded from income from operations.

Income Taxes: The Corporation, Hospital, Services and MMG are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code and are generally exempt from Federal income taxes on related income pursuant to Section 501(a) of the Internal Revenue Code.

The Hospital's unrelated trade or business activities are generally limited to income from the laboratory and linen services departments. The laboratory provides services to patients referred by private physician practices and tests patient specimens submitted by skilled nursing facilities. The linen services department provides linen services to local physician offices and healthcare organizations.

Resources accounts for income taxes in accordance with FASB ASC 740, "Income Taxes." FASB ASC 740 is an asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the tax and financial reporting basis of certain assets and liabilities.

Resources has no available Federal net operating losses at September 30, 2021 and no available state net operating losses to offset future state taxable income.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The System accounts for uncertain tax positions with provisions of FASB ASC 740, “*Income Taxes*,” which provides a framework for how companies should recognize, measure, present and disclose uncertain tax positions in their consolidated financial statements. The System may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The System does not have any uncertain tax positions as of September 30, 2021 and 2020. It is the System’s policy to record penalties and interest associated with uncertain tax provisions as a component of operating expenses. As of September 30, 2021 and 2020, the System did not record any penalties or interest associated with uncertain tax positions. The System’s prior three tax years are open and subject to examination by the Internal Revenue Service.

Subsequent Events: Subsequent events have been evaluated through December 21, 2021, which is the date the consolidated financial statements were issued.

NOTE 3 - NET PATIENT SERVICE REVENUES

The System accounts for net patient service revenues under FASB ASU 2014-09, “*Revenue from Contracts with Customers (Topic 606)*”. Patient care service revenue is reported at the amount that reflects the consideration to which the System expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the System bills the patients and third-party payors several days after the services are performed and/or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied. Patients have roughly 120 days to make acceptable payment arrangements in order to avoid going to a collection agency. Interest-free internal payment arrangements are available if the balance can be paid off within two years. Performance obligations are determined based on the nature of the services provided by the System. Revenue for performance obligations satisfied over time is recognized based on actual services performed in relation to total expected (or actual) services or is recognized as services are performed depending on the payor and the type of service performed. The System believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in the hospital receiving inpatient acute care services.

(Continued)

NOTE 3 - NET PATIENT SERVICE REVENUES (Continued)

The System measures the performance obligation from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. Revenue for performance obligations satisfied at a point in time is recognized when services are provided. Because all of its performance obligations relate to contracts with a duration of less than one year, the System has elected and is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period. The System determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the System's policy, and/or implicit price concessions provided to uninsured patients. The System determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policy, and historical experience. The System determines its estimate of implicit price concessions based on its historical collection experience from that category of payor. Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

- **Medicare:** Certain inpatient acute care services are paid at prospectively determined rates per discharge based on clinical, diagnostic and other factors. Certain services are paid based on cost reimbursement methodologies subject to certain limits. Physician services are paid based upon established fee schedules. Outpatient services are paid using prospectively determined rates.
- **Medicaid:** Certain inpatient acute care services are paid at prospectively determined rates per discharge based on clinical, diagnostic and other factors. Outpatient services are paid using prospectively determined rates.
- **Other:** Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined daily rates.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the System's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the System. In addition, the contracts the System has with commercial payors also provide for retroactive audit and review of claims. Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 September 30, 2021 and 2020
 (Amounts in thousands)

NOTE 3 - NET PATIENT SERVICE REVENUES (Continued)

These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the System's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in transaction price were not significant for the years ending September 30, 2021 and 2020.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The System also provides services to uninsured patients, and offers those uninsured patients a discount. For patients that qualify through the financial assistance process, the System estimates the transaction price for patients with deductibles and coinsurance, and from those who are uninsured, based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to net patient service revenue in the period of the change. For the years ending September 30, 2021 and 2020, no significant adjustments to revenue were recognized due to changes in the estimates of implicit price concessions for performance obligations satisfied in prior years. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense. Bad debt expense for the years ending September 30, 2021 and 2020 was not significant.

Consistent with the System's mission, care is provided to patients regardless of their ability to pay. Therefore, the System has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the System expects to collect based on its collection history with those patients. Patients who meet the System's criteria for charity care are provided care without charge or at amounts less than established rates. Such amounts determined to qualify as charity care are not reported as revenue. The costs for providing these services were calculated using an adjusted cost-to-charge ratio. These charges written off for patients that qualified for free care under the Hospital's Charity Care Program totaled approximately \$3,680 and \$4,313 in 2021 and 2020, respectively. The estimated costs for these services was \$1,088 and \$1,390 in 2021 and 2020, respectively.

The composition of net patient service revenue by payor is as follows:

	<u>2021</u>	<u>2020</u>
Medicare	\$ 159,461	\$ 149,342
Medicaid	54,565	34,392
Commercial / HMO	210,004	200,385
Other third-party payers	4,673	4,675
Self-pay	8,781	4,784
Other supplemental payments	<u>22,591</u>	<u>22,191</u>
Total net patient service revenue	<u>\$ 460,075</u>	<u>\$ 415,769</u>

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 3 - NET PATIENT SERVICE REVENUES (Continued)

During 2021 and 2020, approximately 35% and 36%, respectively, of net patient service revenue was received under the Medicare program, 12% and 8%, respectively, under the state Medicaid and city welfare programs and 53% and 56%, respectively, was received from contracts with private health payers.

As of September 30, 2021 and 2020, approximately 38% and 43%, respectively, of net patient accounts receivable was due from Medicare, 5% and 6%, respectively, was due from Medicaid and city welfare, 52% and 47%, respectively, was due from private health payers and 5% and 4%, respectively, was due from patients and others.

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

The System has applied the practical expedient and all incremental customer contract acquisition costs are expensed as they are incurred as the amortization period of the asset that the System otherwise would have recognized is one year or less in duration.

During 2021 and 2020, the Hospital revised estimates, related to settlements with third-party payers, made in prior years to reflect the passage of time and the availability of more recent information. During the years ended September 30, 2021 and 2020, changes in estimates related to settlements with third-party payers for prior years decreased net patient service revenue by approximately \$337 and \$504, respectively.

NOTE 4 - OTHER REVENUE

Other revenue consists of the following for fiscal years ended September 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Grants	\$ 1,683	\$ 2,192
Public health emergency funding	9,458	34,367
Cafeteria sales	1,096	1,262
Technical laboratory income	-	326
Investment income	805	1,921
Rental income	782	733
Purchase discounts	1,276	1,546
Net assets released from restriction		
used for operations	1,167	1,020
Business interruption insurance proceeds	125	-
Miscellaneous	4,616	5,537
	<u>\$ 21,008</u>	<u>\$ 48,904</u>

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 September 30, 2021 and 2020
(Amounts in thousands)

NOTE 4 - OTHER REVENUE (Continued)

During the years ended September 30, 2021 and 2020, the System was awarded funds totaling \$9,458 and \$34,367, respectively, from various federal and state agencies to provide relief for the adverse impact to operations as a result of COVID-19. The System recognized the entire amount within other revenues on the consolidated statements of operations and changes in net assets during the years ended September 30, 2021 and 2020 to offset the related increase in costs and loss of revenue related to the pandemic. The System's assessment of whether the terms and conditions for amounts received have been met considers all frequently asked questions and other interpretive guidance issued by HHS.

NOTE 5 - INVESTMENTS

Investments and investments limited as to use are reported at fair value based on readily determinable fair market values or estimated fair value. Donated investments are reported at fair value at the date of receipt, which is then treated as cost.

The fair value of these investments as of September 30, 2021 and 2020, are summarized as follows:

	<u>2021</u>	<u>2020</u>
Cash	\$ 2,484	\$ 858
Money market funds	9,889	13,354
Mutual funds:		
Equity	96,286	81,806
Fixed income	69,608	61,350
Common stock:		
U.S. equity	11,926	9,070
Limited partnership	5,178	966
Exchange-traded products	3,425	4,377
Corporate debt securities	<u>55,328</u>	<u>67,648</u>
 Total	 <u>\$ 254,124</u>	 <u>\$ 239,429</u>

The fair values of investments limited as to use consisted of the following, as of September 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Funds held in trust under revenue		
bond agreements	\$ 429	\$ 1,844
Self-insurance liability	12,071	10,558
Board-designated funds	158,915	131,160
Donor-restricted funds	<u>20,883</u>	<u>19,331</u>
 Total	 <u>\$ 192,298</u>	 <u>\$ 162,893</u>

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 5 - INVESTMENTS (Continued)

Total gross unrealized losses as of September 30, 2021 amounted to \$368 and the fair value of those investments was \$37,665. As of September 30, 2021, there were four investments in an unrealized loss position for greater than 12 months. Based upon the evaluation of the criteria as identified in Note 2, the System does not consider any of these securities to be other than temporarily impaired as of September 30, 2021 and 2020.

Included in net investment income for the years ended September 30, 2021 and 2020, was interest and dividend income of \$1,609 and \$2,125, respectively, and realized gains on sales of investments of \$13,786 and \$2,981, respectively.

NOTE 6 - FAIR VALUE MEASUREMENTS

The following table presents the financial instruments, carried at fair value, as of September 30, 2021, by the valuation hierarchy. The table includes cash equivalents, assets limited as to use, debt service funds and long-term investments:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2021</u>				
Cash and cash equivalents	\$ 2,484	\$ -	\$ -	\$ 2,484
Money market funds	9,889	-	-	9,889
Equities				
Mutual funds				
Equity	96,286	-	-	96,286
Fixed income	69,608	-	-	69,608
Common stock				
US equity	11,926	-	-	11,926
Limited partnership	-	-	5,178	5,178
Fixed income				
Exchange-traded products	3,425	-	-	3,425
Corporate debt securities	<u>-</u>	<u>55,328</u>	<u>-</u>	<u>55,328</u>
 Total	 <u>\$ 193,618</u>	 <u>\$ 55,328</u>	 <u>\$ 5,178</u>	 <u>\$ 254,124</u>

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 September 30, 2021 and 2020
 (Amounts in thousands)

NOTE 6 - FAIR VALUE MEASUREMENTS (Continued)

The following table presents the financial instruments, carried at fair value, as of September 30, 2020, by the valuation hierarchy. The table includes cash equivalents, assets limited as to use, debt service funds and long-term investments:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2020</u>				
Cash and cash equivalents	\$ 858	\$ -	\$ -	\$ 858
Money market funds	13,354	-	-	13,354
Equities				
Mutual funds				
Equity	81,806	-	-	81,806
Fixed income	61,350	-	-	61,350
Common stock				
US equity	9,070	-	-	9,070
Limited partnership	-	-	966	966
Fixed income				
Exchange-traded products	4,377	-	-	4,377
Corporate debt securities	<u>-</u>	<u>67,648</u>	<u>-</u>	<u>67,648</u>
 Total	 <u>\$ 170,815</u>	 <u>\$ 67,648</u>	 <u>\$ 966</u>	 <u>\$ 239,429</u>

The Hospital's long-term debt obligations are reported at carrying value. The fair value of the Hospital's long-term debt obligations, excluding capitalized lease obligations and privately placed bond obligations, is approximately \$16,116 and \$21,948 at September 30, 2021 and 2020, respectively. The fair value of Services' long-term debt obligations was approximately \$0 and \$360 at September 30, 2021 and 2020, respectively. The fair value of the bonds payable is based on quoted market prices for the related bonds and other valuation considerations. The fair value of other debt is based upon discounted cash flow analyses. Fair value of debt is classified as Level 2 within the fair value hierarchy.

The valuation methodologies used to determine the fair values of assets under the "exit price" notion reflect market participant objectives and are based on the application of the fair value hierarchy that prioritizes relevant observable market inputs over unobservable inputs. The System determines the fair values of certain financial assets based on quoted market prices where available and where prices represent a reasonable estimate of fair value. The following is a discussion of the methodologies used to determine fair values for the financial instruments listed in the above tables.

Mutual funds, common stock and exchanged-traded products are traded actively on exchanges and price quotes for these shares are readily available. For corporate debt securities and U.S. government and agency obligations multiple prices and price types are obtained from pricing vendors whenever possible, which enables cross-provider validations. A primary price source is identified based on asset type, class or issue for each security. The fair values of fixed income securities are based on evaluated prices that reflect observable market information, such as actual trade information of similar securities, adjusted for observable differences. The limited partnership is reported at net asset value per share as of year end.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 September 30, 2021 and 2020
 (Amounts in thousands)

NOTE 6 - FAIR VALUE MEASUREMENTS (Continued)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the System believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

As of September 30, 2021 and 2020, the System's other financial instruments include cash and cash equivalents, accounts payable, accrued expenses and estimated settlements due to third-party payers. The carrying amounts reported in the consolidated balance sheets for these financial instruments approximate their fair value.

NOTE 7 - PROPERTY AND EQUIPMENT, NET

Property and equipment and the related accumulated depreciation as of September 30, 2021 and 2020, consist of the following:

	<u>2021</u>	<u>2020</u>
Land and land improvements	\$ 15,845	\$ 15,845
Buildings and fixed equipment	361,312	359,012
Other equipment	286,492	275,089
Leasehold improvements	<u>10,445</u>	<u>9,928</u>
Total property and equipment	674,094	659,874
Less: accumulated depreciation	<u>(440,935)</u>	<u>(411,642)</u>
	233,159	248,232
Construction-in-progress (estimated cost to complete \$4,610)	<u>1,237</u>	<u>3,478</u>
Property and equipment, net	<u>\$ 234,396</u>	<u>\$ 251,710</u>

Depreciation expense was \$29,718 and \$26,669 in fiscal years 2021 and 2020, respectively.

Included within buildings and fixed equipment above is a building with a net book value of \$193 and \$247 as of September 30, 2021 and 2020, respectively, for which MMG has a capital lease obligation.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 September 30, 2021 and 2020
 (Amounts in thousands)

NOTE 8 - LEASE COMMITMENTS

The System has various lease agreements for office buildings and equipment. Leases with an initial term of 12 months or less are not recorded on the balance sheet; the System recognizes lease expense on these leases on a straight-line basis over the lease term. Some leases include one or more options to renew, with renewal terms that can extend the lease for an additional term. The exercise of lease renewal options is at the Company's sole discretion.

A summary of operating lease assets and liabilities at September 30, 2021 is as follows:

Assets	<u>\$ 15,484</u>
Liabilities	
Current	\$ 3,795
Non-current	<u>11,814</u>
Total lease liabilities	<u>\$ 15,609</u>

The minimum future lease commitments under these operating leases are as follows:

Fiscal year ending:	
2022	\$ 5,592
2023	4,743
2024	2,864
2025	2,027
2026	1,424
Thereafter	<u>6,525</u>
Total lease payments	23,175
Less: Amount representing interest	<u>(1,063)</u>
Present value of lease liabilities	<u>\$ 22,112</u>

Total rental expense under operating leases for the years ended September 30, 2021 and 2020 was approximately \$8,944 and \$8,638, respectively.

A summary of remaining lease terms and discount rates at September 30, 2021 is as follows:

Weighted-average remaining lease term (years)	8.15 years
Weighted-average discount rate	0.62 %

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 September 30, 2021 and 2020
 (Amounts in thousands)

NOTE 9 - LIQUIDITY

The following reflects the System's financial assets as of the balance sheet date, reduced by amounts not available for general use because of restrictions within one year of the balance sheet date.

	<u>2021</u>	<u>2020</u>
Financial assets:		
Cash and cash equivalents	\$ 62,271	\$ 73,399
Short-term investments	37,437	53,441
Receivables:		
Patients	38,025	39,952
Other	5,292	2,590
Patient customer contracts	11,054	8,062
Investments limited as to use or restricted	192,298	162,893
Long-term investments	<u>24,389</u>	<u>23,095</u>
Total financial assets	370,766	363,432
Less those unavailable for general expenditure within one year due to:		
Donor restricted	20,883	19,331
Board designated	158,915	131,160
Debt service funds	429	1,844
Self insurance liability	<u>12,071</u>	<u>10,558</u>
Total unavailable	<u>192,298</u>	<u>162,893</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 178,468</u>	<u>\$ 200,539</u>

As part of the System's liquidity management plan, management has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The System targets maintaining cash on hand to adequately cover near term future operating expenses. Should unanticipated liquidity needs arise, the System also maintains a \$13,000 and \$6,000 line of credit with Wells Fargo Bank, N.A as of September 30, 2021 and 2020, respectively. As of September 30, 2021 and 2020, outstanding borrowings on the line of credit were \$0 and \$6,000, respectively. The Board designated amounts include an endowment in the amount of \$153,569 and certain long-term investment funds in the amount of \$4,441 allocated to meet unexpected liquidity needs.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 10 - LONG-TERM DEBT

As of September 30, 2021 and 2020, the System's long-term debt consisted of the following.

	<u>2021</u>	<u>2020</u>
Fixed rate revenue bonds, series N, due July 1, 2027	\$ -	\$ 5,410
Fixed rate revenue bonds, series O, due July 1, 2036	14,485	15,165
Fixed rate revenue bonds, series P, due July 1, 2027	5,096	5,970
Fixed rate revenue bonds, series Q, due July 1, 2027	10,668	10,993
Mortgage notes and capital leases, net of interest	342	413
Promissory notes	21,946	28,037
Software license agreement	3,430	4,940
	55,967	70,928
 Add: bond premium	 834	 1,234
Less: unamortized finance costs	(506)	(661)
Less: current portion	(8,230)	(10,901)
	\$ 48,065	\$ 60,600

In July of 2011, the Hospital entered into a debt agreement with the State of Connecticut Health and Educational Facilities Authority (CHEFA) for issuance of CHEFA Series N Revenue Bonds (Series N Bonds) for \$31,930. The proceeds from the Series N Bonds, net of amounts used to establish required reserve accounts, were used to redeem the Series H Bonds. The Series N Bonds were issued at a premium of \$1,873, which will be amortized as a component of interest expense over the term of the CHEFA Series N debt agreement. The Series N Bonds are due on various dates through July 1, 2027 at interest rates between 3.00% to 5.00%.

A portion of the Series N Bonds mentioned above were issued on behalf of Services. As a member of the obligated group, the Hospital is a guarantor of this portion of the Series N Bonds. The Series N bonds were redeemed during 2021. The outstanding balance of these bonds was \$350 as of September 30, 2020.

In May of 2015, the Hospital entered into a debt agreement with CHEFA for issuance of CHEFA Series O Bonds for \$18,275. The proceeds from the Series O Bonds, net of amounts used to establish required reserve accounts, were used to redeem the Series L Bonds. The Series O Bonds were issued at a premium of \$1,217, which will be amortized as a component of interest expense over the term of the CHEFA Series O debt agreement. The Series O Bonds are due on various dates through July 1, 2036 at interest rates between 3.2% to 3.8%.

In June of 2016, the Hospital entered into a new debt agreement with TD Bank, N.A. as assignee of CHEFA for issuance of CHEFA Series P Bonds for \$9,683. The proceeds from the Series P Bonds, net of amounts used to establish required reserve accounts, were used to redeem the CHEFA Series M Auction Rate Bonds. The Series P Bonds are due on July 1, 2027 at an interest rate of 1.87%.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 10 - LONG-TERM DEBT (Continued)

In November of 2017, the Hospital and Services entered into a debt agreement with TD Bank, N.A. as assignee of CHEFA for issuance of CHEFA Series Q Revenue Bonds (Series Q Bonds) for \$11,599. The proceeds from the Series Q Bonds, net of amounts used to establish required reserve accounts, were used to redeem a portion of the Series N Bonds. The Series Q Bonds are due on various dates through July 1, 2027 at the interest rate of 2.15% per annum.

A portion of the Series Q Bonds mentioned above were issued on behalf of Services. As a member of the obligated group, the Hospital is a guarantor of this portion of the Series Q Bonds. With the closing of Services in 2021, all Series Q Bonds were transferred to the Hospital. Effective September 2021, Services was released from the obligated group. The outstanding balance of these bonds was \$2,748 as of September 30, 2020.

The Hospital and Services are required to maintain certain deposits with a trustee relating to its outstanding CHEFA bonds. Such deposits are included in investments limited as to use in the accompanying consolidated balance sheets and consist of \$429 and \$1,227 in debt service funds as of September 30, 2021 and 2020, respectively. All of the outstanding CHEFA bonds and mortgage notes place limits on the incurrence of additional borrowings and require that the Hospital satisfy certain measures of financial performance, as long as the bonds and mortgage notes are outstanding. All of the outstanding CHEFA bonds are secured by the gross receipts of the Hospital.

The CHEFA bonds are generally issued at an original premium or discount. This premium or discount is amortized as a component of interest expense over the term of the related CHEFA debt. Amortization is provided over the term of the applicable indebtedness using a method which does not differ materially from the effective interest method.

During 2019, the Hospital entered into the following seven-year promissory notes with Wells Fargo Equipment Finance, Inc. These loans were paid off during 2021. The outstanding balances on these promissory notes as of September 30, 2020 are as follows.

	<u>2020</u>
\$2,066 note bearing a 3.53% interest rate, \$25 payment due monthly, due February 2026	\$ 1,494
\$1,408 note bearing a 3.39% interest rate, \$17 payment due monthly, due April 2026	<u>1,050</u>
	<u>\$ 2,544</u>

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 September 30, 2021 and 2020
 (Amounts in thousands)

NOTE 10 - LONG-TERM DEBT (Continued)

During 2020, the Hospital entered into the following seven-year promissory notes with Wells Fargo Equipment Finance, Inc. The outstanding balances on these promissory notes as of September 30, 2021 and 2020 are as follows.

	<u>2021</u>	<u>2020</u>
\$8,535 note bearing a 2.92% interest rate, \$102 payment due monthly, due September 2026	\$ 5,841	\$ 6,872
\$6,792 note bearing a 2.79% interest rate, \$81 payment due monthly, due December 2026	4,873	5,695
\$4,565 note bearing a 2.52% interest rate, \$54 payment due monthly, due February 2027	3,394	3,953
\$1,453 note bearing a 2.90% interest rate, \$17 payment due monthly, due March 2027	1,083	1,256
\$3,190 note bearing a 3.10% interest rate, \$38 payment due monthly, due April 2027	2,397	2,772
\$5,638 note bearing a 3.16% interest rate, \$67 payment due monthly, due May 2027	<u>4,286</u>	<u>4,945</u>
	<u>\$ 21,874</u>	<u>\$ 25,493</u>

In April 2020, the Hospital entered into a forty-one month interest free software licensing agreement with Epic Systems in the amount of \$5,626. Payments in the amount of \$137 are due monthly. The outstanding balance on this agreement as of September 30, 2021 and 2020 was \$3,430 and \$4,940.

In July 2003, the Hospital entered into a line of credit loan agreement with Wells Fargo Bank N.A. (formerly Wachovia Bank) with subsequent amendments. The line of credit is in the amount of \$6,000 and bears an interest rate of LIBOR plus 1.00%. The note is due and payable in consecutive monthly payments of accrued interest only. On April 28, 2021, the agreement was amended to increase the maximum principal amount of the note to \$13,000 and bears an interest rate of LIBOR plus 0.80%. All principal and interest shall be due on April 28, 2022. The outstanding balance on this agreement as of September 30, 2021 and 2020 was \$0 and \$6,000, respectively.

In September 2021, the Hospital entered into a thirty-four month program loan agreement with CHEFA to be utilized for capital project expenses in the amount of \$75. The loan does not bear interest. The outstanding balance on this agreement as of September 30, 2021 was \$73.

In 2010, MMG entered into a 15-year capital lease in the amount of \$835 with an interest rate of 6.50% for a building. The outstanding balance on this capital lease at September 30, 2021 and 2020 was \$318 and \$382, respectively.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 10 - LONG-TERM DEBT (Continued)

Aggregate scheduled repayments on long-term debt and capital lease payments are as follows:

	<u>Long-term Debt</u>	<u>Mortgage Notes / Capital Leases</u>
2022	\$ 8,146	\$ 102
2023	9,231	90
2024	7,640	90
2025	7,816	90
2026	8,006	15
Thereafter	<u>15,620</u>	<u>-</u>
	56,459	387
Less: unamortized finance costs	(506)	-
Less: interest	<u>-</u>	<u>(45)</u>
Total	<u>\$ 55,953</u>	<u>\$ 342</u>

As of September 30, 2021 and 2020, the System is in compliance with all financial covenants related to the previously noted debt.

NOTE 11 - DEFINED CONTRIBUTION PLANS

Effective January 1, 2010, the Hospital implemented a new retirement program called the Middlesex Retirement Savings and Investment Plan, which provides an automatic core contribution and a matching contribution when participants choose to make pre-tax contributions. The Hospital matches 50% of the first 4% that an employee contributes. In addition, employees become eligible for a core contribution upon completion of 12 months of service provided they earn at least 1,000 hours of service in a calendar year and are actively employed on December 31, unless they retire or become disabled. The core contribution, which ranges from 2-6% of eligible pay, is based on the employee's age and years of service on December 31. The System's total contributions to the plan, including matching and core contributions, totaled \$11,295 and \$10,722 in 2021 and 2020, respectively. A core contribution of \$6,313, which is scheduled to be paid in 2022, is included in accrued payroll and related liabilities in the accompanying consolidated balance sheets.

In addition, the Hospital sponsors other defined contribution plans for eligible employees. The Hospital's contributions to these plans totaled approximately \$523 and \$479 in 2021 and 2020, respectively. In June 2019, the Board of Directors of the Hospital unanimously approved the termination of the MHS-Primary Care Profit Sharing Plan effective December 31, 2019. Participants had the option of rolling over their funds into the Middlesex Retirement Savings and Investment Plan, rolling their funds into another qualified retirement plan, or taking a distribution subject to applicable penalties.

Services sponsors a 403(b) retirement savings plan (the Savings Plan) for its employees. The Savings Plan allows participants to contribute up to 10% of their annual compensation, not to exceed certain limitations. There is no matching contribution from Services.

(Continued)

NOTE 11 - DEFINED CONTRIBUTION PLANS (Continued)

MMG sponsored a defined contribution profit sharing plan (the Plan) for its eligible employees. Participants could elect to defer amounts as allowed under the Plan and Internal Revenue Code. The employer match equaled 100% of the first 3% of participant elective deferrals plus 50% of the next 2% of participant elective deferrals. In addition, MMG could make discretionary contributions as determined by the board of directors of MMG. The MMG plan was terminated effective December 31, 2019. Effective January 1, 2020, plan participants were eligible to participate in the Middlesex Retirement Savings and Investment Plan. For the years ended September 30, 2021 and 2020, MMG made matching contributions in the amount of \$499 and \$542, respectively.

NOTE 12 - ESTIMATED SELF-INSURANCE LIABILITIES AND OTHER CONTINGENCIES

There have been malpractice, general liability, and workers' compensation claims that fall within the System's partially self-insured program (see Note 2) which have been asserted against the System. In addition, there are known incidents that have occurred through September 30, 2021 that may result in the assertion of claims.

The System has established an irrevocable trust, funded based upon actuarially determined funding levels, to provide for the payment of malpractice and general liability claims and related expenses. The assets of the trust are reported in the accompanying consolidated financial statements as investments limited as to use.

In addition, the System is involved in litigation arising in the ordinary course of business. In the opinion of the System's management, the ultimate resolution of these claims will not have a material impact on the System's consolidated financial position or results of operations and changes in net assets or cash flows.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 September 30, 2021 and 2020
 (Amounts in thousands)

NOTE 13 - NET ASSETS WITH DONOR RESTRICTIONS

The consolidated financial statements report the changes in and totals of each net asset class based on the existence of donor restrictions. Net assets with donor restrictions at September 30, 2021 and 2020 are available for the following activities:

	<u>2021</u>	<u>2020</u>
Subject to expenditure for specified purpose:		
General	\$ 4,635	\$ 4,384
Perpetual trusts	3,776	3,232
Free Bed	3,356	2,920
Family Practice	1,879	1,827
Nursing Education	2,949	2,835
Hospice	1,794	1,925
Homecare	981	981
Community Mental Health	948	862
Cancer Fund	366	428
Auxiliary	69	69
Innovation	76	-
Ethics	54	-
 Total net assets with donor restrictions	 \$ 20,883	 \$ 19,463

NOTE 14 - ENDOWMENTS

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) provides guidance on investment decisions and endowment expenditures for nonprofit organizations. The System has interpreted UPMIFA as requiring the preservation of the fair value of the original gift at the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result, the System classifies as donor-restricted net assets (a) the original value of the gifts donated to the permanent endowment, (b) the original value of the subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions is classified as such until those amounts are appropriated for expenditure.

The Hospital's endowments consist of 13 individual funds established for a variety of purposes, including both donor-restricted endowment funds and funds designated by the Board to function as endowments. Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 14 - ENDOWMENTS (Continued)

Endowment funds consist of the following as of September 30, 2021:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 13,056	\$ 13,056
Board-designated endowment funds	<u>153,969</u>	<u>-</u>	<u>153,969</u>
Balance as of September 30, 2021	<u>\$ 153,969</u>	<u>\$ 13,056</u>	<u>\$ 167,025</u>

Endowment funds consist of the following as of September 30, 2020:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 12,429	\$ 12,429
Board-designated endowment funds	<u>127,423</u>	<u>-</u>	<u>127,423</u>
Balance as of September 30, 2020	<u>\$ 127,423</u>	<u>\$ 12,429</u>	<u>\$ 139,852</u>

Changes in endowment funds for the year ended September 30, 2021, are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balance as of October 1, 2020	\$ 127,423	\$ 12,429	\$ 139,852
Investment return			
Investment income	15,295	718	16,013
Net appreciation	<u>11,191</u>	<u>240</u>	<u>11,431</u>
Total investment return	26,486	958	27,444
Contributions	60	80	140
Appropriation of endowment assets for expenditure	<u>-</u>	<u>(411)</u>	<u>(411)</u>
Balance as of September 30, 2021	<u>\$ 153,969</u>	<u>\$ 13,056</u>	<u>\$ 167,025</u>

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 14 - ENDOWMENTS (Continued)

Changes in endowment funds for the year ended September 30, 2020, are as follows:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Balance as of October 1, 2019	\$ 117,015	\$ 11,934	\$ 128,949
Investment return			
Investment income	5,104	169	5,273
Net appreciation	<u>5,428</u>	<u>313</u>	<u>5,741</u>
Total investment return	10,532	482	11,014
Appropriation of endowment assets for expenditure	<u>(124)</u>	<u>13</u>	<u>(111)</u>
Balance as of September 30, 2020	<u>\$ 127,423</u>	<u>\$ 12,429</u>	<u>\$ 139,852</u>

The System has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Hospital must hold in perpetuity or for a donor-specified period as well as Board-designated funds. The Hospital's spending policy authorizes the use of up to 5% of the fiscal year's beginning fair market value of each donor-restricted and Board-designated fund each year. In addition, total expenditures from all funds shall not exceed 2% of the total fair market value of the total endowment fund as of the beginning of the fiscal year.

To satisfy its long-term rate-of-return objectives, the Hospital relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Hospital targets a diversified asset allocation that places emphasis on investments in equities, fixed income and alternative investments to achieve its long-term return objectives with prudent risk constraints.

The Hospital follows a policy of spending an amount that approximates the investment income earned, in addition to specific purchases of capital equipment. Accordingly, the Hospital expects its spending policy will allow its endowment funds to be maintained in perpetuity by growing at a rate at least equal to the planned payouts. Additional real endowment growth will be provided through new gifts and any excess investment return.

NOTE 15 - RELATED PARTY TRANSACTIONS

During 2021 and 2020, the System's entities entered into various related party transactions. All significant intercompany accounts and transactions have been eliminated in consolidation.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 16 - FUNCTIONAL EXPENSES

The table below presents expenses by both their nature and their function as of September 30, 2021:

	Program Services			Supporting Activities				Total Expenses
	Middlesex Hospital	Other Entities	Program Subtotal	Management and General			Fundraising	
				Middlesex Hospital	Other Entities	M&G Subtotal		
Salaries, wages and fees	\$ 190,269	\$ 26,464	\$ 216,733	\$ 19,230	\$ 2,643	\$ 21,873	\$ 741	\$ 239,347
Fringe benefits	38,360	5,109	43,469	3,336	629	3,965	123	47,557
Purchased services	34,609	1,534	36,143	12,456	125	12,581	195	48,919
Supplies	46,695	2,493	49,188	-	-	-	1	49,189
Depreciation and amortization	24,952	1,271	26,223	3,503	184	3,687	-	29,910
State hospital tax	31,075	-	31,075	-	-	-	-	31,075
Interest	2,154	99	2,253	-	1	1	-	2,254
Other operating expenses	24,023	7,556	31,579	9,441	1,307	10,748	77	42,404
	<u>\$ 392,137</u>	<u>\$ 44,526</u>	<u>\$ 436,663</u>	<u>\$ 47,966</u>	<u>\$ 4,889</u>	<u>\$ 52,855</u>	<u>\$ 1,137</u>	<u>\$ 490,655</u>

The table below presents expenses by both their nature and their function as of September 30, 2020:

	Program Services			Supporting Activities				Total Expenses
	Middlesex Hospital	Other Entities	Program Subtotal	Management and General			Fundraising	
				Middlesex Hospital	Other Entities	M&G Subtotal		
Salaries, wages and fees	\$ 183,036	\$ 25,702	\$ 208,738	\$ 17,932	\$ 3,141	\$ 21,073	\$ 727	\$ 230,538
Fringe benefits	35,868	4,607	40,475	3,122	815	3,937	94	44,506
Purchased services	36,094	1,229	37,323	12,904	534	13,438	170	50,931
Supplies	42,422	2,020	44,442	2	-	2	-	44,444
Depreciation and amortization	23,257	913	24,170	2,290	170	2,460	-	26,630
State hospital tax	22,781	-	22,781	-	-	-	-	22,781
Interest	1,806	27	1,833	-	71	71	-	1,904
Other operating expenses	28,492	6,373	34,865	9,032	1,716	10,748	61	45,674
	<u>\$ 373,756</u>	<u>\$ 40,871</u>	<u>\$ 414,627</u>	<u>\$ 45,282</u>	<u>\$ 6,447</u>	<u>\$ 51,729</u>	<u>\$ 1,052</u>	<u>\$ 467,408</u>

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of operations and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Certain direct costs (salaries, rent, etc.) have been allocated based on time or asset usage.

(Continued)

NOTE 17 - COMMITMENTS AND CONTINGENCIES

In December 2019, a novel strain of coronavirus surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of the System could be materially adversely affected. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

On March 28, 2020, Center of Medicare and Medicaid Services (CMS) expanded the existing Accelerated and Advance Payments Program to a broader group of Medicare Part A providers and Part B suppliers. The passage of the Coronavirus Aid, Relief, and Economic Security (CARES) Act on March 27, 2020, amended the existing Accelerated Payments Program to provide additional benefits and flexibilities, including extended repayment timeframes, to the subset of providers specifically referenced in the CARES Act, including inpatient hospitals, children's hospitals, certain cancer hospitals, and critical access hospitals. The Continuing Appropriations Act, 2021 and Other Extensions Act, enacted on October 1, 2020, amended the repayment terms for all providers and suppliers who requested and received accelerated and advance payments during the COVID-19 public health emergency. Repayment under the program does not begin for one year starting from the date the accelerated or advance payment was issued. During the year ended September 30, 2020, the System received funds totaling \$36,903 through the CMS Accelerated and Advance Payments Program with \$8,960 recorded in current portion of third party advance reimbursement and \$27,943 recorded in long-term portion of third party advance reimbursements on the consolidated balance sheets. During the year ended September 30, 2021, the System paid back \$8,955 of the funds received in 2020 and recorded \$27,947 in current portion of third party advance reimbursement on the consolidated balance sheets.

As part of the CARES Act, employers are allowed to defer the deposit and payment of the employer's share of social security taxes due during the payroll tax deferral period and payments of the tax imposed on wages paid during that period. The payroll tax deferral period began on March 27, 2020 and ended December 31, 2020. The deferred deposits of the employer's share of social security tax must be deposited beginning on December 31, 2021. In line with this deferral, the System recorded \$5,871 within other liabilities including estimated third-party settlements on the consolidated balance sheets as of September 30, 2020. As of September 30, 2021, the System has recorded \$4,077 within other liabilities including estimated third-party settlements and \$4,077 within accrued payroll and other liabilities on the consolidated balance sheets.

NOTE 18 - COMMUNITY BENEFIT (Unaudited)

Community Benefit Program: Continuous dedication to the communities we serve remains the hallmark of Middlesex Hospital's purpose. Middlesex Hospital's mission is to provide the safest, highest quality health care and the best experience possible for our community. We have a long-standing commitment to community benefit and providing programs/services that meet identified need, most specifically for underserved and vulnerable populations. Our community benefit program exemplifies our core purpose of bettering the health and well-being of the community we serve, with a specific focus on social determinants of health and advancing health equity. We understand the importance of measuring community health and uncovering barriers to care, creating evidence-based programs that respond to identified need and collaborating with community partners to develop meaningful and sustained health improvement.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 18 - COMMUNITY BENEFIT (Unaudited) (Continued)

Middlesex Hospital's Community Benefit program was formalized in 2006 as a natural outgrowth for housing our long-standing community services under one roof. Since then, strengthening our Community Benefit program with targeted programs to address community health and well-being needs; focus on social determinants of health and advancing health equity; and promoting community-wide health improvement services has been an annual priority initiative for our Hospital's leadership and remains a core institutional program. Our comprehensive Community Benefit model encompasses the following domains: executive involvement and commitment; a defined reporting structure; dedicated staffing resources; governance engagement; staff participation; annual goals; inclusion in annual organizational planning; internal and external communications; and inclusion of community members and agency partners. This footnote provides an overview of Middlesex Hospital's community benefit activities, organized by the categorical accounting standards as determined by the Catholic Health Association/VHA structure (*Catholic Health Association, "A Guide For Planning and Reporting Community Benefit"*).

Community Health Improvement Services: The Hospital subsidizes a vast range of community health education and health improvement programs, none of which are developed for marketing purposes, all of which are supported as a means of fulfilling the Hospital's mission to serve its community. Almost 100% of the time these services are offered free of charge; in the rare instance where a nominal fee is assessed, the cost of providing the service is not covered. Community health education is provided to the community at large, including (but not limited to) local schools, colleges, assisted living and skilled nursing facilities, small businesses and chamber of commerce, community based organizations, the faith community, local health care provider agencies, non-Hospital affiliated healthcare providers, and social services. Some of the programs represent one time events, however most are ongoing and over the years have become entrenched in the community as a source of support and continued education for a healthful future. Community health education is provided by the Hospital in many formats including lectures, written materials, interactive presentations and other group programs/activities. Examples of health educational programming include (but are not limited to):

- Community Education Presentations: including cancer prevention, integrative medicine, caregiver resources, disease management, stroke education, fall prevention.
- Health and Wellness Events/Health Fairs: it is common practice for the Hospital's staff members to answer the call of the community any time a request is made for educational support. The Hospital regularly participates in area health fairs/wellness events to share critical health information on topics and services.
- Support Groups: The Hospital provides, at no charge, many support groups for patients and their families in response to the community's need for additional support in addressing the social, psychological or emotional issues that often occur in connection with disease, disability and grief. The support and skills of trained professionals offer self-help techniques and wellness/health-promotion.
- Cancer Center Health Awareness: as facing cancer can be one of life's most challenging experiences for patients, the Hospital's Cancer Center provides extensive free-of-charge services in an educational and supportive environment. An emphasis is placed on including family members in all support services. The Cancer Center offers many annual education and wellness events in addition to ongoing programs such as an art therapy program; movement through dance; wig room; and community education on screenings and prevention.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 18 - COMMUNITY BENEFIT (Unaudited) (Continued)

- Maternal Child Support: To reach out to the community's vulnerable population, the Hospital's Pregnancy and Birth Center (PBC) waives class fees for participants from the Hospital's Family Advocacy Maternal Child Health Program – a comprehensive service within the Behavioral Health Department that outreaches to low-income families lacking necessary resources. Tuition waiver allows access for Family Advocacy members to PBC's Newborn & Infant classes, Breastfeeding classes, and Prepared Childbirth classes.

Throughout the year the Hospital provides a number of community-based clinical services, including clinics and screenings offered on a recurring basis or as a special event. The Hospital views screenings and clinics as valuable secondary prevention measures that enable the detection of early illness/disease onset, bring awareness to the screened individual regarding the importance of detection and early treatment intervention, and provide referral when appropriate and necessary. These services are offered to meet identified community needs and/or improve community health. Examples of the Hospital's community based clinical services offered to the community at large throughout the year include (but are not limited to): annual flu shots and free blood pressure clinics provided by the Hospital's Homecare department, a subsidized service, to local seniors; free flu immunizations offered to those who are unable to pay; and community-wide free screenings for blood pressure.

Healthcare support services include all programs offered by the Hospital in order to increase access and quality of care to individuals, especially those living in poverty and/or other vulnerable populations. As these services represent targeted programs and interventions based on need, they are critical for assisting patients in achieving improved health and wellness. Given the intensity and duration of the initiatives, life-long positive impacts are often realized. Examples include (but are not limited to):

- Center for Chronic Care Management (CCCM) Disease Management: The CCCM has been in existence for over 15 years and has served 10,000+ patients. The impetus for the center was an identified sub-set of repeat users of emergency department and inpatient services for asthma. A multidisciplinary team was tasked with examining notable resource gaps for this ambulatory care sensitive condition (that is, one that should be treated in the outpatient setting). A deficit of available outpatient services and coordination of care for asthmatics resulting in barriers for achievement of self-management was identified and in response, using the Chronic Care Model, an evidence-based, patient-centered outpatient asthma service for adults (AIRMiddlesex) and children (LittleAIR) was designed and implemented, offering a comprehensive and systematic approach to the management of asthma as a chronic illness. The asthma care program became the prototype for identifying and meeting community need for chronic care interventions by adding accessible and oftentimes free-of-charge outpatient services. Added services include diabetes disease management (provided since mid-1990, formalized in 2001) and its component medical nutrition therapy; smoking cessation (1999); chronic heart failure (2005); and Chronic Pulmonary Obstructive Disorder (2015). The Center's disease management programs have evolved as a critical part of the health delivery system in Middlesex County by filling unmet chronic care needs. Within the CCCM model, special attention is paid to those unable to access services elsewhere: patients who experience multiple social issues, are often uninsured, are unable to achieve and sustain improved health, and frequently encounter barriers to care. Most programs are offered at no cost to the patient and the program is therefore heavily underwritten by the Hospital. Each of CCCM's initiatives cooperate with community agencies to provide chronic disease management education.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 18 - COMMUNITY BENEFIT (Unaudited) (Continued)

- Cancer Care Management: The Cancer Care Program is a free program offered to patients with a breast, colorectal, lung, prostate, testicular, bladder, gyn, kidney among other cancer diagnoses. With compassion, reassurance and expert knowledge, the Nurse Navigators assist cancer patients in navigating the complex maze from diagnosis through the prescribed treatment and recovery phases of their illness. Additional support is given through education regarding medication and self-care requirements. The Navigators work with the network of specialists and technicians to ensure that the succession of tests and treatments are expedited in the best sequence with full consideration of the patient's needs.
- Transportation & Prescription Voucher Assistance: Transportation vouchers are supplied to patients in urgent situations and prescription vouchers are given to help to defray costs for patients who are unable to pay for medication.
- Women, Infants and Children (WIC) Program: WIC serves to safeguard the health of low-income women, infants, and children up to age five who are at nutritional risk by providing nutritious foods to supplement diets, information on healthy eating, and referrals to health care. Middlesex Hospital became the local subcontractor for WIC when the City of Middletown Health Department, after 25 years, was unable to renew the contract. In addition, due to significant city budget cut-backs, the Middletown program had merged with another county, which made accessibility challenging for local WIC clients. When community members suggested the Hospital assume the program, the Hospital agreed with the importance of keeping the program local, improving accessibility of services, and responding to community need. The service currently resides under the Hospital's comprehensive Family Advocacy Maternal Child Health program which provides support and outreach to a segment of the community's at-risk population.
- Community Care Team (CCT): The Community Care Team is a collaboration of many community agencies that specialize in the delivery of care for people with serious mental illness and/or substance use disorder in Middlesex County. The team's objective is to provide patient-centered care and improve health outcomes by developing and implementing wrap-around services through multi-agency intervention and care planning. CCT has found that the traditional model of episodic care delivery does not adequately meet the needs of its shared population - at its center is the belief that collaborations strengthen communities and can significantly impact outcomes if provided in both an evidence-based and innovative manner. The partners offer patients CCT intervention and team members meet on a weekly basis to review cases, uncover service gaps, and develop individualized care plans that include addressing many social determinants of health needs and connecting to community based services.

(Continued)

NOTE 18 - COMMUNITY BENEFIT (Unaudited) (Continued)

- Opportunity Knocks (OK): Formed in 2003 when three Middletown community leaders specializing in early childhood development - Middlesex Hospital's Medical Director of Nurseries & Pediatric Faculty for the Family Practice Residency Program, Middlesex Hospital's Family Advocacy Maternal Child Health Program supervisor and Middletown's School Readiness coordinator – recognized that the health and developmental needs of Middletown's high-need young children could best be met through a coalition that crossed a variety of sectors. The multidisciplinary community coalition comprised of local health and social service agencies, early care and education providers, not-for-profit organizations and parents established goals that focused on the health and well-being of at-risk children ages 0-5. Since the inception of the program, Opportunity Knocks has served thousands of children ages 0-5 and countless family members. Middlesex Hospital provides OK's program planner, physician champion, grant-writing support and fiscal administration for the funding sources. In addition, staff members from multiple Hospital departments actively participate in the collaborative, including representatives from Family Advocacy Maternal Child Health, Diabetes Management, Asthma Management, Fit For Kids, Family Practice, the Family Medicine Residency program, and the Pregnancy & Birth Center.

Health Professions Education: Helping to prepare future health care professionals is a long-standing commitment of Middlesex Hospital and distinguishing characteristic that constitutes a significant community benefit. Year round, the Hospital supports health professions education for medical students, nursing students and technicians. The nationally respected *Middlesex Health Family Medicine Residency Program* graduates an impressive number of Family Practice physicians, many of whom continue to practice in the Middlesex County area after their training is complete. For more than 40 years the Hospital's Family Medicine Residency Program has trained physicians for a future in family practice. The educational curriculum encompasses a balanced approach in the domains of practical experiences and academics; independent and supervised study; office practice and hospital care; biomedical and psychosocial issues; personal medical care and community health perspectives; and core requirements and self-directed learning. Specialty tracks include: maternal/child; palliative medicine/geriatric; international health; integrative medicine; academic and leadership. To strengthen commitment to community health, each resident is required to participate in a community project as a means of understanding the community's available resources and health needs. Many of the residency projects have developed into on-going support programs for community members.

In addition to its Family Practice residents, the hospital welcomes medical and nursing student interns and provides on-site training during clinical rotations. Nursing students from local colleges and programs receive hands-on mentorship in the majority of clinical service lines year-round. For the nursing students, a good portion of the student-staff interaction is 1:1. The objective of the rotational format is to complement classroom learning with practical application; expose students to the integration of evidence-based practice; train students in the care for patients with complex needs; and aid students in developing the organizational, interpersonal, and critical thinking skills needed to enter the field of nursing. Other healthcare professional education includes: the Hospital's Radiology School - a 50+ year old program that graduates radiologic technologists with an associates degree, prepares them to pass the national certification test for radiographers and quality for state licensure, and operates at a loss for the Hospital; and clinical educational student training in the fields of pharmacy, social work, hospice, behavioral health, nuclear medicine, rehabilitation and physical therapy, infection prevention, phlebotomy, emergency responders, surgical services, among other areas of healthcare. The Hospital also welcomes non-clinical students for educational experience including the fields of: public health, pastoral care, biomedical, food and nutrition, finance, information technology and health information systems.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 18 - COMMUNITY BENEFIT (Unaudited) (Continued)

In addition to teaching within the walls of the hospital, staff members continuously work with non-Hospital employed health care providers and agencies in the community. The Hospital's paramedics share their knowledge with health providers in the community on an on-going basis by providing regular EMS in-service training to volunteer emergency medical service organizations such as fire departments and ambulance associations.

Subsidized Health Services: The Hospital's subsidized health services represent a significant portion of Middlesex Hospital's annual community benefit aggregate financials and numbers served. Subsidized services are particular clinical programs provided to the community despite a financial loss, with negative margins remaining after specific dollars (financial assistance/charity care and bad debt) and shortfalls (Medicaid) are removed. In order to qualify as a subsidized service, the program must meet certain health delivery criteria; meet an identified need in the community; and would become unavailable or the responsibility of a governmental or another not-for-profit agency to provide if the Hospital discontinued the service. Middlesex Hospital's subsidized services include Family Medicine Group, Behavioral Health (inpatient and outpatient), Homecare, Cardiac Rehabilitation, Paramedics, Hospice and Wound Care.

- Family Medicine Group: The Family Medicine Group of Middlesex Hospital is made up of twelve faculty physicians and twenty-four resident physicians who are completing their four-year training in the specialty of Family Medicine (note: faculty and residency costs are captured under Health Professions Education). The group has been providing high-quality medical care to Middlesex County's community members since 1974. The practice serves patients of all ages with health care often coordinated for the entire family. Referrals to specialists are made when needed, with the Family Medicine physician following patient care jointly with the specialist. In addition to caring for patients in the office, the Family Medicine physicians follow the care of their patients when they are in Middlesex Hospital and some local nursing and convalescent homes. If the need arises and patients are confined to their homes, house calls can also be arranged. The Family Medicine Group is comprised of three locations: Middletown, East Hampton and Portland. Nurse health educators are available in the three family practice offices to provide counseling on health-related topics that promote a healthy lifestyle. The offices are equipped for comprehensive preventive health care procedures such as pap smears, vision and hearing testing, pulmonary function testing, and electrocardiograms. Minor surgical procedures can also be performed in all three offices. As the Family Medicine group is within the Middlesex Hospital Health System, it relies on the broad services offered by the system. Services include access to multiple laboratory facilities for routine tests, counseling among many other outpatient service lines. In addition, all faculty physicians and resident physicians are on the staff of Middlesex Hospital. Middlesex Hospital's Family Medicine group is a critically important subsidized outpatient service as it fills a gap in primary care services and addresses access to care challenges. Middlesex County has been designated by the Health Resources and Services Administration (HRSA) to be a Medically Underserved Area experiencing a shortage of select health services which include too few primary care providers. In addition, HRSA reports that Middlesex County is a Health Professional Shortage Area (HPSA) for primary medical care.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 18 - COMMUNITY BENEFIT (Unaudited) (Continued)

- Middlesex Hospital's Behavioral Health Program: provides a large spectrum of behavioral health services, including inpatient and outpatient therapy and support, child and adolescent services and a maternal child health program – and is heavily subsidized by the Hospital. The Hospital recognizes that the life disruptions caused by mental illness, severe behavioral problems, and addiction especially coupled with medical complexities can be devastating for patients and their families and is committed to providing the highest standard of care for both the physical and behavioral health needs of its psychiatric patients. Treatment is provided regardless of the patient's background and/or ability to pay. The behavioral health system at Middlesex Hospital is premised on guiding principles designed to empower each individual to attain optimal functioning in a compassionate, supportive, professional, collaborative environment. Each care plan is individualized with careful consideration of the patient's physical and mental needs and preferences. The Hospital has a 20 bed psychiatric unit for patients requiring inpatient stays; Day Treatment Program that provides intensive outpatient and partial hospital services for adolescents, adults and geriatric patients with psychiatric and co-occurring substance abuse/psychiatric disorders; Outpatient Behavioral Health Clinic that offers treatment in individual, family, and group therapy to meet general adult and senior psychiatric needs; Family Advocacy Program (FAP) that offers comprehensive psychiatric services designed to improve the lives of children, adolescents and their families and improve access to critical resources; and FAP Maternal Child Health which provides primary prevention, case management and home-based parenting skill building wrap around and support services for at-risk first time families involved in Department of Children and Families (DCF).

- Middlesex Hospital Homecare: Recognizing the need for medical services for patients who are homebound, the Hospital's Homecare department, founded in 1900, makes over 160,000 visits per year to community residents with services available 7 days/week, 24 hours/day. While the program requires subsidy from the Hospital, it meets a vital need in community health. Staffing includes specialty nurses, home health aides, physical therapists, occupational therapists, speech therapists, medical social workers and nutritionists. The broad array of comprehensive services offered to meet the needs of the homecare patient encompass: 1) behavioral; 2) diabetes care and education; 3) specialized cardiac care; 4) geriatric care which focuses on the special needs of senior patients and includes management of conditions, complex medications and/or long-term illness; 5) infusion therapy; 6) the emergency response Lifeline program; 7) maternal/child health services; 8) hospice and palliative care services; 9) psychiatric nursing for patients with primary psychiatric illness living in the community; 10) medical rehabilitation; 11) respiratory/pulmonary care; 12) wound/ostomy care; and 13) various community health services including flu shots and health fairs.

- Middlesex Hospital Cardiac Rehabilitation: Cardiac Rehabilitation is a service offered by Middlesex Hospital due to community request. In response, the Hospital makes this comprehensive program available to its community members despite a financial loss. The service includes progressive cardiac-monitored exercise plans customized per individual, risk-factor education, and is designed to assist patients who have had a recent heart attack, cardiac bypass, cardiac valve surgery, coronary angioplasty, or newly stabilized angina symptoms in achieving a speedy recovery and a healthy, productive lifestyle. Services for patients (and often their caregivers) include education on diagnosis, plan of care, and the requirements necessary to best manage their condition; discussion regarding appropriate lifestyle modifications given the new diagnosis; support to help diminish the fear of appropriate exercise and guidance on level of exertion and pulse rate monitoring; and symptom management education and recognition.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 18 - COMMUNITY BENEFIT (Unaudited) (Continued)

- Middlesex Hospital Paramedics Service: provides 24 hours/day, 7 days/week skilled emergency care and critical treatment to patients prior to arrival at the hospital. Paramedics work alongside fire and EMS personnel and are an important adjunct to emergency transport services, often administering care and providing advanced life support to the patient in the ambulance en route to the hospital – having care begin at the earliest opportunity is vital for best outcomes, particularly in cases of stroke and cardiac emergencies. Middlesex Hospital's paramedic program is one of three such hospital-based services in the State – its mission is to provide high quality, cost-effective, community focused emergency medical services to those who require immediate response. Patients receive the best possible paramedic level of care, regardless of their ability to pay or condition. Since inception of the service, the Hospital has covered the program's annual financial shortfalls.

- Middlesex Hospital's Homecare Hospice Program: is committed to caring for the terminally ill and their families by enhancing quality of life for the patient. Services include comfort care with relief of physical symptoms, the provision of emotional and spiritual support, and the desire to support the patient's right to make choices and remain as autonomous as possible during this phase of life. As terminal illness brings a host of new and difficult challenges for both patient and family, the Hospital's Hospice program views patient and family as a single unit of care. Care is delivered through an interdisciplinary team that includes physicians, nurses, social workers, physical therapists, occupational therapists, nutritionists, home health aides, spiritual support, pharmacists, bereavement counselors, and specially-trained volunteers. The care setting includes home hospice as well as an inpatient unit designed to provide short-term care for patients requiring pain and symptom control as well as respite care during the last days of life. This vital community program functions at a loss for the Hospital. The Hospital also offers outpatient Palliative Care services which assist patients and families with critical decisions while providing maximum physical comfort and emotional support. Outpatient Palliative care services include pain and symptom control, psychosocial support, patient education about self-determination and advance directives, negotiating end-of-life decisions, and helping patients and loved ones understand and cope with the process of dying.

- Middlesex Hospital Wound Care: The Hospital performed a study and found that there was a gap in outpatient services for those experiencing complex and chronic wounds. In response, the Hospital created the Wound Care Center where a full range of services for effective wound treatment is provided. Clinical providers at both of the Hospital's Wound Care Center locations aid in determining what local or systemic factors are impeding the healing process, and assist in developing a specialized and individualized treatment care plan. Using a planned, systematic approach which includes consideration of all factors that affect wound healing, the Center treats four primary wound types: venous stasis ulcers, diabetic foot ulcers, ischemic ulcers and stage III and IV pressure ulcers. The Wound Care Center functions at a loss for the hospital and requires subsidy.

Research: Middlesex Hospital conducts research in the domains of clinical and community health. Clinical examples include national trials by the Hospital's Cancer Center for breast, lung, prostate, colorectal, among others.

(Continued)

MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 18 - COMMUNITY BENEFIT (Unaudited) (Continued)

Financial and In-Kind Contributions: Middlesex Hospital supports the community in the form of financial and in-kind contributions. The Hospital's in-kind contributions include equipment, food, linens and medical supplies that are donated both locally and globally. Other in-kind donations include cafeteria discounts for YMCA residents, and staff coordination of community support drives including the United Way, Adopt-A-Family holiday gift program, Families Feeding Families, the Middletown Community Thanksgiving Drive, and Reach Out and Read childhood readership. The Hospital's main campus and satellite locations make meeting space available, free-of-charge and on an on-going basis, for many community groups that would otherwise struggle to pay for space. In addition, each year the Hospital makes substantial cash donations to carefully selected mission-driven community organizations throughout its service area.

Community Building Activities: Middlesex Hospital's participation in Community Building activities has a vital role in continuing to promote health and well-being for residents in its service area and, in some cases, the international community. The Hospital offers its resources and expertise to support and strengthen community assets in a variety of programs that fall under the scope of community building. Staff members are highly participative in community partnerships and coalitions, the success of which are greatly enhanced by Hospital collaboration - many community initiatives would not be as effective without the Hospital's administrative and clinical staff in-kind involvement, support and expertise. The Hospital's participation in all community building activities are solely to benefit the community's health and well-being by improving access to health services and enhancing overall public health and in no case is the motivation for marketing purposes. The following programs highlight the importance of the Hospital's involvement in community building activities:

- The Hospital partakes in many good neighbor community activities outside of the scope of the healthcare delivery system; such participation often incurs significant expense to the Hospital. For Disaster Readiness, the Hospital plays a pivotal role by working in collaboration with key community partners to ensure the safety of the community at large during a potential disaster. Hospital employees participate on multiple community boards and initiatives designed specifically to address disaster preparedness, control and address the ongoing overall safety of the community. Only the activities and associated cost which exceed licensure and standard practice requirements are included in the Hospital's community benefit inventory. Disaster readiness requires a comprehensive, community-wide coordinated effort for coping with such emergencies as natural disasters, infectious disease outbreaks, bio terrorism, or acts of civil unrest. Hospital security staff, paramedics, infectious diseases specialists, nursing and medical staff are all involved in the continuing effort to be prepared for whatever community emergencies might arise. Examples include participation in community disaster preparation committees, community education and natural disaster drills; pandemic preparedness and stockpiling of supplies that exceeds regulatory standards; and hosting yearly radiation drills for the staff of a local nuclear power plant where Hospital staff train power plant workers (at no-cost) on protocols for internal contamination.

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MIDDLESEX HEALTH SYSTEM, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2021 and 2020
(Amounts in thousands)

NOTE 18 - COMMUNITY BENEFIT (Unaudited) (Continued)

- Middlesex Hospital's Shoreline Medical Center (SMC) is committed to working with local schools to introduce the concept of a medical career in a full range of medical related professions and reinforce the importance of continuing one's education. Each year SMC hosts a multidisciplinary Career Day, World of Work, and oversees high school student mentorship. In response to a looming nursing shortage a dedicated nurse at SMC created Career Day, an annual event where students from the community can experience an emergency in real time and learn what it's like to be a health professional. An additional benefit of Career Day includes spurring many high school students to intern at SMC throughout the school year – the internship provides a unique opportunity for students to receive direct mentorship from health care professionals and exposure to a variety of health delivery disciplines. As a result, many have chosen to pursue careers in health post high school graduation. Yet Another program designed specifically to encourage a career in health is SMC's World of Work where students from a local middle school spend half a day on-site learning about paramedics and emergency medical services, radiology, nursing and laboratory services. The idea is to foster an interest in health as a career at an early age.

Community Benefit Operations: Community Benefit Operations include activities and costs associated with community benefit strategic planning, administration, and health assessment production and execution. Middlesex Hospital has a dedicated director of community benefit who oversees community benefit planning and operations.

- Middlesex Hospital completed its most recent community health needs assessment (CHNA) in 2019 and completed its CHNA Implementation Strategy in February 2020. The process of formally measuring the health of the community through a community health needs assessment allows for a comprehensive understanding of a community's health status as well as the needs, gaps and barriers to health and health services. Using this data, Middlesex Hospital develops a prioritized implementation strategy to address identified need. The Hospital's CHNA Implementation Strategy outlines the process for prioritization and serves as the foundation for the Hospital's Community Benefit strategic plan.

State Sponsored Health Care, Unpaid Costs: Community benefits related to government sponsored programs include the unpaid cost of specific public programs. In fiscal year 2021, payments received for Medicaid services provided by the Hospital did not cover the actual cost of providing these services; these unpaid costs are reported in the financial statement.

SUPPLEMENTAL INFORMATION

MIDDLESEX HEALTH SYSTEM, INC.
CONSOLIDATING BALANCE SHEET
September 30, 2021
(Amounts in thousands)

	Middlesex Hospital	Middlesex Health System, Inc.	Eliminations	Sub-Total Obligated Group	Middlesex Health Services, Inc.	Middlesex Health Resources, Inc.	Middlesex Medical Group	Eliminations	Consolidated
ASSETS									
Current assets									
Cash and cash equivalents	\$ 59,562	\$ 15	\$ -	\$ 59,577	\$ 395	\$ 1,347	\$ 952	\$ -	\$ 62,271
Short-term investments	37,437	-	-	37,437	-	-	-	-	37,437
Patient accounts receivable	34,962	-	-	34,962	-	-	3,063	-	38,025
Patient customer contracts	11,054	-	-	11,054	-	-	-	-	11,054
Other receivables	5,287	-	-	5,287	-	-	5	-	5,292
Prepaid and other current assets	7,061	-	-	7,061	-	-	67	-	7,128
Current portion of investments limited as to use	429	-	-	429	-	-	-	-	429
Total current assets	155,792	15	-	155,807	395	1,347	4,087	-	161,636
Investments limited as to use	191,869	-	-	191,869	-	-	-	-	191,869
Long-term investments	24,389	-	-	24,389	-	-	-	-	24,389
Right-of-use assets	15,484	-	-	15,484	-	92	6,345	-	21,921
Other assets	10,626	-	-	10,626	-	2	-	-	10,628
Property and equipment, net	227,958	-	-	227,958	16	1,501	4,921	-	234,396
Total assets	\$ 626,118	\$ 15	\$ -	\$ 626,133	\$ 411	\$ 2,942	\$ 15,353	\$ -	\$ 644,839

(Continued)

MIDDLESEX HEALTH SYSTEM, INC.
CONSOLIDATING BALANCE SHEET (Continued)
September 30, 2021
(Amounts in thousands)

	Middlesex Hospital	Middlesex Health System, Inc.	Eliminations	Sub-Total Obligated Group	Middlesex Health Services, Inc.	Middlesex Health Resources, Inc.	Middlesex Medical Group	Eliminations	Consolidated
LIABILITIES AND NET ASSETS									
Current liabilities									
Current portion of long-term debt and capital lease obligations	\$ 8,146	\$ -	\$ -	\$ 8,146	\$ -	\$ -	\$ 84	\$ -	\$ 8,230
Current portion of operating lease liabilities	3,795	-	-	3,795	-	94	1,582	-	5,471
Current portion of third party advance reimbursement	27,700	-	-	27,700	-	-	247	-	27,947
Accounts payable	20,011	-	-	20,011	-	8	542	-	20,561
Accrued payroll and related liabilities	38,218	-	-	38,218	73	-	4,892	-	43,183
Other accrued liabilities	2,743	-	-	2,743	-	(7)	-	-	2,736
Current portion of estimated self-insurance liabilities	3,260	-	-	3,260	-	-	48	-	3,308
Total current liabilities	103,873	-	-	103,873	73	95	7,395	-	111,436
Other liabilities									
Long-term debt and capital lease obligations, less current portion	47,806	-	-	47,806	-	-	259	-	48,065
Operating lease liabilities, less current portion	11,815	-	-	11,815	-	-	4,826	-	16,641
Estimated self-insurance liabilities, less current portion	22,516	-	-	22,516	-	-	1,930	-	24,446
Other liabilities including estimated third-party settlements	20,710	-	-	20,710	-	63	642	-	21,415
Total other liabilities	102,847	-	-	102,847	-	63	7,657	-	110,567
Total liabilities	206,720	-	-	206,720	73	158	15,052	-	222,003
Net assets									
Assets without donor restrictions	398,515	15	-	398,530	338	2,784	301	-	401,953
Assets with donor restrictions	20,883	-	-	20,883	-	-	-	-	20,883
Total net assets	419,398	15	-	419,413	338	2,784	301	-	422,836
Total liabilities and net assets	\$ 626,118	\$ 15	\$ -	\$ 626,133	\$ 411	\$ 2,942	\$ 15,353	\$ -	\$ 644,839

See accompanying independent auditor's report.

MIDDLESEX HEALTH SYSTEM, INC.
CONSOLIDATING STATEMENT OF OPERATIONS AND
CHANGES IN NET ASSETS
Year Ended September 30, 2021
(Amounts in thousands)

	Middlesex Hospital	Middlesex Health System, Inc.	Eliminations	Sub-Total Obligated Group	Middlesex Health Services, Inc.	Middlesex Health Resources, Inc.	Middlesex Medical Group	Eliminations	Consolidated
Operating revenues:									
Net patient service revenue	\$ 429,421	\$ -	\$ -	\$ 429,421	\$ 1,126	\$ -	\$ 29,528	\$ -	\$ 460,075
Other revenues	17,757	1,137	(1,312)	17,582	143	517	4,357	(1,591)	21,008
Total operating revenues	447,178	1,137	(1,312)	447,003	1,269	517	33,885	(1,591)	481,083
Operating expenses:									
Salaries, wages and fees	209,499	741	-	210,240	955	-	28,152	-	239,347
Fringe benefits	41,695	123	-	41,818	197	-	5,542	-	47,557
Purchased services	47,064	195	(175)	47,084	65	24	2,446	(700)	48,919
Supplies	46,696	-	-	46,696	2	-	2,491	-	49,189
Depreciation and amortization	28,456	-	-	28,456	270	169	1,015	-	29,910
State hospital tax	31,075	-	-	31,075	-	-	-	-	31,075
Interest	2,154	-	-	2,154	75	-	25	-	2,254
Other operating expenses	33,464	703	-	34,167	353	357	8,418	(891)	42,404
Total operating expenses	440,103	1,762	(175)	441,690	1,917	550	48,089	(1,591)	490,655
Income (loss) from operations	7,075	(625)	(1,137)	5,313	(648)	(33)	(14,204)	-	(9,572)
Non-operating income (expense)									
Net income from joint ventures and general partnerships	2,274	-	-	2,274	-	-	-	-	2,274
Unrestricted gifts and bequests	835	-	-	835	-	-	-	-	835
Net investment income	15,394	-	-	15,394	-	1	-	-	15,395
Unrealized gains on equity securities	10,891	-	-	10,891	-	-	-	-	10,891
Other non-operating expenses	(1,137)	-	1,137	-	-	(34)	-	-	(34)
Total non-operating income	28,257	-	1,137	29,394	-	(33)	-	-	29,361
Excess (deficiency) of revenues over expenses	35,332	(625)	-	34,707	(648)	(66)	(14,204)	-	19,789
Net assets, beginning of year	398,485	15	-	398,500	(678)	2,850	621	-	401,293
Change in unrealized gains and losses	1,191	-	-	1,191	-	-	-	-	1,191
Restricted investment income	327	-	-	327	-	-	-	-	327
Restricted contributions	887	-	-	887	-	-	-	-	887
Change in assets held in trust	543	-	-	543	-	-	-	-	543
Transfers	(16,200)	625	-	(15,575)	1,691	-	13,884	-	-
Net assets released from restriction for operations	(1,167)	-	-	(1,167)	(27)	-	-	-	(1,194)
Net assets, end of year	\$ 419,398	\$ 15	\$ -	\$ 419,413	\$ 338	\$ 2,784	\$ 301	\$ -	\$ 422,836

See accompanying independent auditor's report.