

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2022

Open to Public Inspection

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.

A For the 2022 calendar year, or tax year beginning 10/01, 2022, and ending 9/30, 2023

B Check if applicable: Address change, Name change, Initial return, Final return/terminated, Amended return, Application pending. C Mercy Hospital, Northern Light Mercy Hospital, 175 Fore River Parkway, Portland, ME 04102. D Employer identification number 01-0211534. E Telephone number 207-973-9081. G Gross receipts \$ 288,642,304. H(a) Is this a group return for subordinates? Yes No. H(b) Are all subordinates included? Yes No. I Tax-exempt status: 501(c)(3), 501(c) () (insert no.), 4947(a)(1) or 527. J Website: https://northernlighthealth.org/Mercy-Hospita. K Form of organization: Corporation, Trust, Association, Other. L Year of formation: 1945. M State of legal domicile: ME.

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include: 1-7a Summary of mission and governance; 8-12 Revenue; 13-19 Expenses; 20-22 Net Assets or Fund Balances.

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 John J. Doyle, Date 7/29/24, Title NLH VP OF FINANCE.

Paid Preparer Use Only: Print/Type preparer's name, Preparer's signature Self-Prepared, Date, Check self-employed, PTIN, Firm's name, Firm's address, Firm's EIN, Phone no.

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

1 Briefly describe the organization's mission:

Mercy Hospital d/b/a Northern Light Mercy Hospital carries out the healing work of Christ by providing clinically excellent, compassionate healthcare for all, with special concern for the poor and disadvantaged.

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

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

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: _____) (Expenses \$ 196,187,496. including grants of \$ _____) (Revenue \$ 280,285,412.)

Provide healthcare services regardless of ability to pay as well as education, research and promotion of health. Provided other uncompensated care (at cost) of \$4,510,073.

4b (Code: _____) (Expenses \$ 37,339,875. including grants of \$ _____) (Revenue \$ _____)

Medicare shortfalls (at cost) 41,043 persons served

4c (Code: _____) (Expenses \$ 13,288,838. including grants of \$ _____) (Revenue \$ _____)

Medicaid shortfalls (at cost) 38,271 persons served

4d Other program services (Describe on Schedule O.) See Schedule O
(Expenses \$ 221,318. including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses 247,037,527.

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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14a Did the organization maintain an office, employees, or agents outside of the United States?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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> See instructions.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H.</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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 a "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 the 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 line 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>		
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 on Schedule O for Part VI, lines 11b and 19? Note: All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

	Yes	No
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 on 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	1,805		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a			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.	3b			
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)?	4a			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?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
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?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
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?	7a			X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			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?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
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?	8			
9	Sponsoring organizations maintaining donor advised funds.				
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b			
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?	12a			
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?	13a			
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?	14a			X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O.	14b			
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 the instructions and file Form 4720, Schedule N.	15			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.	16			X
17	Section 501(c)(21) organizations. Did the trust, or any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952, or 4953? If "Yes," complete Form 6069.	17			

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

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

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. 1a 21		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
b	Enter the number of voting members included on line 1a, above, who are independent. 1b 17		
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? See Schedule O	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? See Schedule O	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? See Sch O	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 on Schedule O the process, if any, used by the organization to review this Form 990. See Schedule O		
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 on Schedule O how this was done. See Schedule O	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. See Schedule O.	X	
b	Other officers or key employees of the organization.		X
	If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.		
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?		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ME
- 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. See Schedule O
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records.
 John J. Doyle 43 Whiting Hill Road Brewer ME 04412-1005 207-973-9081

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

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

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

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

See the instructions for the order in which to list the persons above.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Timothy Dentry Trustee/Ex-Off	1 50	X		X			0.	1,509,740.	62,092.	
(2) Nicolas F. Arredondo Physician	50 0					X	1,286,206.	0.	44,253.	
(3) John Wahlig Physician	50 0					X	1,187,699.	0.	47,526.	
(4) Stephen W. Rodrigue Physician	50 0					X	1,171,298.	0.	16,714.	
(5) Bruce F. Gomberg Physician	50 0					X	782,616.	0.	17,588.	
(6) Anthony Filer Treasurer	1 50			X			0.	695,430.	64,042.	
(7) Christopher Kleeman Physician	50 0					X	713,928.	0.	32,916.	
(8) Charles Therrien Pres/Ex-Off	50 0	X		X			634,319.	0.	105,033.	
(9) Paul Bolin SVP & CPO	1 50			X			0.	543,269.	110,033.	
(10) Craig Brett, MD Trustee/Ex-Off	50 0	X					533,950.	0.	39,261.	
(11) George Eaton Secretary	1 50			X			0.	444,533.	50,549.	
(12) Glenn Martin Former SVP-Chief Legal Officer	1 50					X	0.	363,438.	106,106.	
(13) Bette L. Neville Former VP, CNO	0 50					X	0.	372,068.	45,642.	
(14) John Southall VP Sr Phys Exec	50 0			X			350,068.	0.	42,675.	

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 dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee			
(15) <u>Melissa Skahan</u> VP Mission Int	50 0			X			220,454.	0.	31,440.
(16) <u>Wendy Napolitano</u> VP Perf Oper	50 0			X			206,255.	0.	41,148.
(17) <u>David Kennedy</u> VP, Finance	50 0			X			227,214.	0.	16,715.
(18) <u>Mark Seelen</u> VP Surgical Svc	50 0			X			223,426.	0.	2,447.
(19) <u>Gregory Orr</u> Former VP-Medical Group	50 0					X	192,868.	0.	17,368.
(20) <u>Robyn McDevitt</u> VP Pt Cr Svcs	50 0			X			155,928.	0.	27,426.
(21) <u>Chris Howard</u> Trustee	1 0	X					0.	0.	0.
(22) <u>Arthur Batson, III</u> Trustee	1 0	X					0.	0.	0.
(23) <u>Tarlan Ahmadov</u> Trustee	1 0	X					0.	0.	0.
(24) <u>Cathy Lee</u> Trustee	1 0	X					0.	0.	0.
(25) <u>Sister Anne-Marie Bourque</u> Trustee	1 0	X					0.	0.	0.
1b Subtotal							7,886,229.	3,928,478.	920,974.
c Total from continuation sheets to Part VII, Section A							0.	0.	0.
d Total (add lines 1b and 1c)							7,886,229.	3,928,478.	920,974.
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 248									

	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
Chest Medicine Associates 100 Foden Raod Ste 103 South Portland, ME	Physician & Director Svc	1,722,642.
Simplifi 5020 Northshore Drive North Little Rock, AR 72118	Temp Staffing	11,100,900.
Dahl Chase Diagnostic Services 417 State Street Bangor, ME 04401	Laboratory Services	1,127,827.
HBCS 118 Lukens Drive New Castle, DE 19720	Collection Fees	1,372,603.
Seacoast Pathology Inc PO Box 100519 Atlanta, GA 30384-0519	Laboratory Services	1,049,500.
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 33		

Department of the Treasury
Internal Revenue Service

Name of the Organization Mercy Hospital	Employer Identification number 01-0211534
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Part VII Continuation: Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Laura Blaisdell, MD Trustee	1 0	X						0.	0.	0.
(2) Sister Mary Morey Trustee	1 0	X						0.	0.	0.
(3) Mike Varney Trustee	1 0	X						0.	0.	0.
(4) Karen Pardue Trustee	1 0	X						0.	0.	0.
(5) Sister Judith Carey, RS Trustee	1 0	X						0.	0.	0.
(6) Douglas McKeown Trustee/V Chair	1 0	X		X				0.	0.	0.
(7) William Schirmer, MD Trustee	1 0	X						0.	0.	0.
(8) Dega Dhalac Trustee	1 0	X						0.	0.	0.
(9) Debra D. Taylor Trustee/Chair	2 0	X		X				0.	0.	0.
(10) Sister Patricia Pora Trustee	1 0	X						0.	0.	0.
(11) Lisa Toner Trustee	1 0	X						0.	0.	0.
(12) Victoria Morales Trustee	1 0	X						0.	0.	0.
(13) Jennifer Palminteri, MD Trustee	1 0	X						0.	0.	0.
(14) James Polewaczyk Trustee	1 0	X						0.	0.	0.
(15) Karen Clements VP Nrs & Pt Cr	50 0			X				0.	0.	0.
(16) -----										
(17) -----										
(18) -----										
(19) -----										
(20) -----										
(21) -----										

Part VIII Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants, and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	1,613,890.				
	e Government grants (contributions)	1e	4,851,870.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	1,244,498.				
	g Noncash contributions included in lines 1a-1f	1g	108,194.				
	h Total. Add lines 1a-1f		7,710,258.				
	Program Service Revenue	2a <u>Net Patient Care Service</u>		Business Code			
			621990	273592213.	273592213.		
b <u>Cafeteria</u>			722514	646,046.		646,046.	
c <u>Education</u>			611710	6,400.	6,400.		
d							
e							
f All other program service revenue							
g Total. Add lines 2a-2f			274244659.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			178,704.		178,704.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6a Gross rents	(i) Real	(ii) Personal				
		6a	403,625.				
		b Less: rental expenses	6b	24,883.			
	c Rental income or (loss)	6c	378,742.				
	d Net rental income or (loss)			378,742.		378,742.	
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		7a	8,800.				
		b Less: cost or other basis and sales expenses	7b				
	c Gain or (loss)	7c	8,800.				
	d Net gain or (loss)			8,800.		8,800.	
8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a						
	b Less: direct expenses	8b					
	c Net income or (loss) from fundraising events						
9a Gross income from gaming activities. See Part IV, line 19	9a						
	b Less: direct expenses	9b					
	c Net income or (loss) from gaming activities						
10a Gross sales of inventory, less returns and allowances	10a	55,505.					
	b Less: cost of goods sold	10b	50,182.				
	c Net income or (loss) from sales of inventory			5,323.		5,323.	
Miscellaneous Revenue	11a <u>340b Pharmacy Benefits</u>		Business Code				
			621990	6,027,409.	6,027,409.		
	b <u>Opioid Settlement</u>		900099	13,344.	13,344.		
	c						
	d All other revenue						
e Total. Add lines 11a-11d			6,040,753.				
12 Total revenue. See instructions				288567239.	279639366.	0.	
						1,217,615.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.....				
2 Grants and other assistance to domestic individuals. See Part IV, line 22.....				
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.....	2,857,759.	1,874,478.	983,281.	0.
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).....	0.	0.	0.	0.
7 Other salaries and wages.....	123,467,208.	116,812,537.	6,654,671.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).....	3,724,056.	3,516,095.	207,961.	
9 Other employee benefits.....	13,956,067.	13,166,426.	789,641.	
10 Payroll taxes.....	7,988,946.	7,497,501.	491,445.	
11 Fees for services (nonemployees):				
a Management.....				
b Legal.....	9,795.	9,795.		
c Accounting.....	50,783.		50,783.	
d Lobbying.....				
e Professional fundraising services. See Part IV, line 17.....				
f Investment management fees.....	10,421.	8,314.	2,107.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Schedule O.).....	38,121,918.	21,138,110.	16,983,808.	
12 Advertising and promotion.....	976,827.	976,827.		
13 Office expenses.....	6,013,504.	4,522,164.	1,491,340.	
14 Information technology.....	11,044,157.	10,427,422.	616,735.	
15 Royalties.....				
16 Occupancy.....	8,902,778.	7,102,707.	1,800,071.	
17 Travel.....	216,815.	213,477.	3,338.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.....				
19 Conferences, conventions, and meetings.....	286,320.	268,602.	17,718.	
20 Interest.....	3,823,707.	3,050,584.	773,123.	
21 Payments to affiliates.....				
22 Depreciation, depletion, and amortization.....	8,509,519.	7,239,700.	1,269,819.	
23 Insurance.....	2,267,945.	2,141,297.	126,648.	
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 <u>Medical Supplies Expense</u>	38,102,382.	38,102,382.		
b <u>Taxes & Licensing</u>	5,501,546.	5,497,801.	3,745.	
c <u>Repairs & Maintenance</u>	3,108,341.	2,897,013.	211,328.	
d <u>Dues & Subscriptions</u>	301,285.	295,023.	6,262.	
e All other expenses.....	289,544.	279,272.	10,272.	
25 Total functional expenses. Add lines 1 through 24e.	279,531,623.	247,037,527.	32,494,096.	0.
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	5,600.	1	5,600.
	2 Savings and temporary cash investments	800,326.	2	502,029.
	3 Pledges and grants receivable, net		3	45,691.
	4 Accounts receivable, net	40,815,507.	4	47,957,187.
	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	34,887.	7	
	8 Inventories for sale or use	3,077,729.	8	3,387,205.
	9 Prepaid expenses and deferred charges	926,173.	9	889,997.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 214,427,810.		
	b Less: accumulated depreciation	10b 67,808,035.	151,473,519.	10c 146,619,775.
	11 Investments – publicly traded securities		11	
	12 Investments – other securities. See Part IV, line 11		12	
	13 Investments – program-related. See Part IV, line 11		13	
	14 Intangible assets	3,151,000.	14	3,151,000.
	15 Other assets. See Part IV, line 11	35,465,178.	15	35,177,773.
16 Total assets. Add lines 1 through 15 (must equal line 33)	235,749,919.	16	237,736,257.	
Liabilities	17 Accounts payable and accrued expenses	56,748,289.	17	57,514,508.
	18 Grants payable		18	
	19 Deferred revenue	4,893,137.	19	208,429.
	20 Tax-exempt bond liabilities	92,083,117.	20	89,043,181.
	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	1,529,776.	23	737,474.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	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	35,509,656.	25	35,893,561.
	26 Total liabilities. Add lines 17 through 25	190,763,975.	26	183,397,153.
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	35,967,256.	27	45,003,329.
	28 Net assets with donor restrictions	9,018,688.	28	9,335,775.
	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	44,985,944.	32	54,339,104.
33 Total liabilities and net assets/fund balances	235,749,919.	33	237,736,257.	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	288,567,239.
2	Total expenses (must equal Part IX, column (A), line 25)	2	279,531,623.
3	Revenue less expenses. Subtract line 2 from line 1	3	9,035,616.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	44,985,944.
5	Net unrealized gains (losses) on investments	5	
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) See Schedule O	9	317,544.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	54,339,104.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____		
If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	X	
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
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?	X	
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 Uniform Guidance, 2 C.F.R Part 200, Subpart F?	X	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	X	

SCHEDULE A
(Form 990)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

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

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(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 2022 (line 6, column (f), divided by line 11, column (f)).	14	%
15 Public support percentage from 2021 Schedule A, Part II, line 14.	15	%
16a 33-1/3% support test—2022. 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—2021. 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—2022. 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—2021. 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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(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) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(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 on 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 2022 (line 8, column (f), divided by line 13, column (f)).	15	%
16 Public support percentage from 2021 Schedule A, Part III, line 15.	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2022 (line 10c, column (f), divided by line 13, column (f)).	17	%
18 Investment income percentage from 2021 Schedule A, Part III, line 17.	18	%

19a 33-1/3% support tests—2022. 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—2021. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization.

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

	Yes	No
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>		
3c 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).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
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 on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
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 on lines 11b and 11c below, the governing body of a supported organization?	11a	
b A family member of a person described on line 11a above?	11b	
c A 35% controlled entity of a person described on 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 on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <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>	2a		
b Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <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 (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	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).		

BAA

Schedule A (Form 990) 2022

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.)

**SCHEDULE C
(Form 990)**

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2022

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.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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 Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

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

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. \$ _____ 0.
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955. \$ _____ 0.
- 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-.
(1)	-----			
(2)	-----			
(3)	-----			
(4)	-----			
(5)	-----			
(6)	-----			

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%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
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?														
		<input type="checkbox"/> Yes	<input type="checkbox"/> No												

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2019	(b) 2020	(c) 2021	(d) 2022	(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					

BAA

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)).

	(a)		(b)
	Yes	No	Amount
For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.			
See Part IV			
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		38,570.
j Total. Add lines 1c through 1i.			38,570.
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 expenditures 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 - Description of Lobbying Activity

Non-deductible dues

**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

2022

**Open to Public
Inspection**

Name of the organization

Employer identification number

Mercy Hospital
Northern Light Mercy Hospital

01-0211534

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

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

Part II Conservation Easements.

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

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

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

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

	Held at the End of the Tax Year
a Total number of conservation easements	2 a
b Total acreage restricted by conservation easements	2 b
c Number of conservation easements on a certified historic structure included in (a)	2 c
d Number of conservation easements included in (c) acquired after July 25, 2006 and not on a historic structure listed in the National Register	2 d

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

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

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

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

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

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

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

(ii) Assets included in Form 990, Part X \$ _____

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

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

b Assets included in Form 990, Part X \$ _____

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

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

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

- 1 a 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 | 1 c |
| d Additions during the year | 1 d |
| e Distributions during the year | 1 e |
| f Ending balance | 1 f |
- 2 a 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
1 a Beginning of year balance	3,612,220.	4,116,780.	3,558,084.	3,506,492.	3,492,269.
b Contributions	182,732.	1,891,277.	28,673.	4,868.	9,344.
c Net investment earnings, gains, and losses	381,622.	-771,544.	620,156.	144,504.	67,892.
d Grants or scholarships					
e Other expenditures for facilities and programs	1,000.	1,624,293.	90,133.	97,780.	63,013.
f Administrative expenses					
g End of year balance	4,175,574.	3,612,220.	4,116,780.	3,558,084.	3,506,492.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment _____ %
 - b Permanent endowment 100.00 %
 - c Term endowment _____ %
- The percentages on lines 2a, 2b, and 2c should equal 100%.

- 3 a 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 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (ii) Related organizations | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
- b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds. **See Part XIII**

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
1 a Land		9,703,734.		9,703,734.
b Buildings		99,418,366.	19,399,972.	80,018,394.
c Leasehold improvements		2,623,788.	2,023,063.	600,725.
d Equipment		100,949,922.	45,786,341.	55,163,581.
e Other		1,732,000.	598,659.	1,133,341.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				146,619,775.

Part VII Investments – Other Securities. N/A
 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) -----		
(I) -----		
Total. (Column (b) must equal Form 990, Part X, column (B) line 12.)		

Part VIII Investments – Program Related. N/A
 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)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (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) Assets whose use is limited	1,672,348.
(2) Beneficial Interest in Perpetual Trusts	944,546.
(3) Board designated funds-Other	6,090.
(4) Investment in Net Assets held @ NLHF	8,458,358.
(5) Other Assets	1,619,381.
(6) Right-of-Use Operating Lease Assets	15,184,068.
(7) Self Insurance & Pension Plans	7,252,154.
(8) Temporarily Donor Restricted Funds	40,828.
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 15.)	35,177,773.

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) Amounts due to Related Org	5,136,759.
(3) Deferred Compensation	7,194,964.
(4) Deferred Oper Lease Costs	540,358.
(5) LT Charitable Gift Annuity	5,225.
(6) Other Liability-Commerce Bank	1,432,641.
(7) Post Retirement Benefits	1,179,976.
(8) Reserve for Asset Disposal Costs	60,715.
(9) Reserve for Self-Insurance Program	622,373.
(10) Right-of-Use Lease Liabilities	19,260,991.
(11) Unfavorable Val of Oper Lease	459,559.
Total. (Column (b) must equal Form 990, Part X, column (B) line 25.)	35,893,561.

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. See Part XIII.

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return. N/A

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	2 a		
	b Donated services and use of facilities	2 b		
	c Recoveries of prior year grants	2 c		
	d Other (Describe in Part XIII.)	2 d		
	e Add lines 2 a through 2 d		2 e	
3	Subtract line 2 e 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	4 a		
	b Other (Describe in Part XIII.)	4 b		
	c Add lines 4 a and 4 b		4 c	
5	Total revenue. Add lines 3 and 4 c . (This must equal Form 990, Part I, line 12.)		5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. N/A

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	2 a		
	b Prior year adjustments	2 b		
	c Other losses	2 c		
	d Other (Describe in Part XIII.)	2 d		
	e Add lines 2 a through 2 d		2 e	
3	Subtract line 2 e 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	4 a		
	b Other (Describe in Part XIII.)	4 b		
	c Add lines 4 a and 4 b		4 c	
5	Total expenses. Add lines 3 and 4 c . (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 - Intended Uses Of Endowment Fund

Endowment funds are designated for purposes that align within this organization's exempt purpose.

Part X - FASB ASC 740 Footnote

Northern Light Health, its hospitals, and certain other affiliates have been determined by the Internal Revenue Service to be tax-exempt charitable organizations as described in Section 501(c) (3) or 501(c) (2) of the Internal Revenue Code (the Code) and, accordingly, are exempt from federal income taxes on related income

Part XIII Supplemental Information *(continued)***Part X - FASB ASC 740 Footnote (continued)**

pursuant to Section 501(a) of the Code. Accordingly, no provision for federal income taxes has been recorded in the accompanying financial statements for these organizations.

Tax-exempt charitable organizations could be required to record an obligation for income taxes as the result of a tax position they have historically taken on various tax exposure items including unrelated business income or tax status. Under guidance issued by FASB, assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the "more-likely-than-not" threshold, based upon the technical merits of the position. Estimated interest and penalties, if applicable, related to uncertain tax positions are included as a component of income tax expense. The Northern Light Health has evaluated its tax position taken or expected to be taken on income tax returns and concluded the impact to be not material.

Certain of the Northern Light Health's affiliates are taxable entities. Deferred taxes related to these entities are based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect in the years the differences are expected to reverse. The deferred tax assets and liabilities for these entities are not material.

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2022

Department of the Treasury
Internal Revenue Service

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

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

Open to Public Inspection

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

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	X	
b If "Yes," was it a written policy?	X	
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 checked="" type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	X	
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input checked="" type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% Other _____ %	X	
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"?	X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		X
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?	X	
b If "Yes," did the organization make it available to the public?	X	

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(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
a Financial Assistance at cost (from Worksheet 1)		540	221,318.		221,318.	0.08
b Medicaid (from Worksheet 3, column a)		38,271	36,261,050.	22,972,212.	13,288,838.	4.75
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs	0	38,811	36,482,368.	22,972,212.	13,510,156.	4.83
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	21	1,665	2,629,634.		2,629,634.	0.94
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)	8		60,313.		60,313.	0.02
j Total. Other Benefits	29	1,665	2,689,947.	0.	2,689,947.	0.96
k Total. Add lines 7d and 7j	29	40,476	39,172,315.	22,972,212.	16,200,103.	5.79

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support	1		245,593.		245,593.	0.09
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development	1		617,000.		617,000.	0.22
9 Other						
10 Total	2	0	862,593.	0.	862,593.	0.31

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	84,421,913.		
6 Enter Medicare allowable costs of care relating to payments on line 5.	6	121,761,788.		
7 Subtract line 6 from line 5. This is the surplus (or shortfall).	7	-37,339,875.		
8 Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used:	Part VI			
<input type="checkbox"/> Cost accounting system				
<input checked="" type="checkbox"/> Cost to charge ratio				
<input type="checkbox"/> Other				

Section C. Collection Practices

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

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

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

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: Northern Light Mercy 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. If "Yes," indicate what the CHNA report describes (check all that apply):	X	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: <u>2022</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. Part V	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. Part V	X	
6b 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 Part V, Line 16j for URL</u>		
b <input checked="" type="checkbox"/> Other website (list url): <u>See Part V, Line 16j for URL</u>		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11.	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: <u>2022</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>See Part V, Line 16j for URL</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		X
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. Part V		
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: Northern Light Mercy 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? If "Yes," indicate the eligibility criteria explained in the FAP:	X	
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u> 150 </u> % and FPG family income limit for eligibility for discounted care of <u> 250 </u> %		
b <input type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input 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 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? 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):	X	
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 Part V, Line 16j for URL</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>See Part V, Line 16j for URL</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>See Part V, Line 16j for UR</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 checked="" type="checkbox"/> Other (describe in Section C)		

Part V

BAA

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group: Northern Light Mercy Hospital

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

Policy Relating to Emergency Medical Care

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

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: Northern Light Mercy 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?.....		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?.....		X
	If "Yes," explain in Section C.		

BAA

Schedule H (Form 990) 2022

Part V Facility Information *(continued)*

Copy of

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.

Part V, Line 5 - Account Input from Person Who Represent the Community

Facility: Northern Light Mercy Hospital

The Maine Shared CHNA research team conducted a statewide qualitative assessment among stakeholders to identify and prioritize significant health issues in communities across the state. The assessment, coordinated with the Maine CDC, engaged public health expertise throughout the process. Community outreach was conducted between September 2021 and January 2022. All forms of engagement included public forums, community sponsored events, and oral surveys. The purpose of these outreach efforts was to gather feedback on data and to identify health priorities, community assets, and gaps in resources to be used in health improvement planning.

Virtual community forums with residents and service providers were held in the county in partnership with the Maine CDC to solicit input from individuals representing populations with health disparities including medically underserved, low-income, or minority populations. The following organizations attended the October 5 and 26, 2021, Cumberland County Shared CHNA Community Engagement Forum and provided valuable feedback on the most recent Maine Shared CHNA.

Persons representing broad interests of the community who were consulted during the engagement process (the following list was extracted from the Cumberland County CHNA report, page 22): Bridgton Hospital, Central Maine Healthcare, City of Portland, City of Portland - Public Health Division, Hospital Community Representative, Cumberland County Government, Cumberland Public Health District, From the First Tooth, Gateway Community Services, Good Shepherd Food Bank, Greater Portland Health, Healthcare Coalition of Maine, Healthy Androscoggin, Lake Region Community Health Committee, Macdonald Motors, Maine Access Immigrant Network, Maine Access Points, Maine Behavioral Healthcare, Maine Medical Center, Maine Medical Center Research Institute,

Part V Facility Information *(continued)*

Copy of

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.

Part V, Line 5 - Account Input from Person Who Represent the Community (continued)

Maine Medical Partners, Maine Medical Partners Pediatrics, MaineHealth, Northern Light Beacon Health, Northern Light Health, Northern Light Home Care & Hospice, Northern Light Mercy Hospital, Northern New England Poison Center, Planned Parenthood of Northern New England, Portland Public Schools, Protech Solutions / Good Grid, Rural Health & Primary Care Program; Department of Health and Human Services, Spring Harbor Hospital, The Opportunity Alliance, The Opportunity Alliance WIC, The Opportunity Alliance; Lake Region Community Health Committee, Through These Doors, Town of Raymond, United Way of Southern Maine.

New this cycle was an expanded effort to reach those who may experience systemic disadvantages and therefore experience a greater rate of health disparities. Two types of outreach were piloted in this effort.

One effort included nine community sponsored events hosted by organizations having statewide reach representing the following communities: Black or African Americans; people who are homeless or formerly homeless; older adults; people who are deaf or hard of hearing; people who define themselves or identify as lesbian, gay, bisexual, transgender, and queer and/or questioning (LGBTQ+); people who live with a disability; people with a mental health diagnosis; people with low income; and youth.

Another effort included conducting oral surveys in collaboration with eight ethnic-based community organizations' community health workers in order to better reach Maine's immigrant population that included: 1,000 surveys were conducted in either English (32%), Somali, (24%), Arabic (23%), French (8%), Spanish (5%), Lingala (3%), and other languages including Swahili, Maay Maay, Portuguese, Oromo, Eretria, Kirundi, and Amara. When asked for their countries of origin, respondents most

Part V Facility Information *(continued)*

Copy of

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.

Part V, Line 5 - Account Input from Person Who Represent the Community (continued)

commonly cited the United States (212), Iraq (205), Somalia (157), The Democratic Republic of Congo (81), Djibouti (70), Kenya (30), and Mexico (29). Other countries of origin mentioned included Rwanda, Ethiopia, Angola, Syria, Guatemala, South Africa, Palestine, Puerto Rico, Morocco, Afghanistan, El Salvador, Nigeria, Canada, Burundi, Eritrea, France, Honduras, Uganda, Jamaica, Mali, Gabon, Sudan, Nicaragua, Peru, and Brazil.

Part V, Line 6a - List Other Hospital Facilities that Jointly Conducted Needs Assessment

Facility: Northern Light Mercy Hospital

The Maine Shared CHNA was conducted through a collaborative effort among Maine's four largest health-care systems - Central Maine Healthcare, Northern Light Health (legal name Eastern Maine Healthcare Systems), MaineGeneral Health, MaineHealth - and the Maine Center for Disease Control and Prevention, an office of the Maine Department of Health and Human Services (DHHS). Northern Light Health member organizations participating in the Shared CHNA included Acadia Hospital, AR Gould Hospital, Blue Hill Hospital, CA Dean Hospital, Eastern Maine Medical Center, Inland Hospital, Maine Coast Hospital, Mayo Hospital, Mercy Hospital, and Sebecook Valley Hospital. See Line 5's response for a comprehensive list of participating organizations, including other non-Northern Light Health hospitals who were consulted during the engagement process.

Part V, Line 6b - CHNA Conducted by Organizations Other Than Hospital

Facility: Northern Light Mercy Hospital

The 2022 Maine Shared CHNA was conducted in collaboration with the Maine Center for Disease Control and Prevention, an office of the Maine Department of Health and Human Services (DHHS), local public health and community agencies. Together, with the hospital facilities, these organizations helped to gather input at local forums while providing expertise and guidance throughout the process. See the response for Line 5

Part V Facility Information *(continued)*

Copy of

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.

Part V, Line 6b - CHNA Conducted by Organizations Other Than Hospital (continued)

for a list of participating organizations who were consulted during the engagement process.

Part V, Line 11 - Explanation of Needs Not Addressed and Reasons Why

Facility: Northern Light Mercy Hospital

As a member of a partnering healthcare system in the Maine Shared Community Health Needs Assessment (Shared CHNA) effort, Northern Light Health's Community Health Council recognized the value, reach, and influence of aligned engagement efforts with a shared purpose. Review of the county CHNA forum priority voting revealed that mental health, social determinants of health, and substance use were among the top four priorities in almost every county CHNA forum. These three priority areas were presented and adopted by our hospital's governing board as shared priorities where Northern Light Health member organizations would engage in common strategy to achieve greater statewide effect.

Northern Light Mercy Hospital's community health strategy was developed to include our systemwide shared priority areas of work reflecting upon the quantitative health profile indicators and qualitative prioritization derived from the Shared CHNA's community engagement process. We also considered local readiness and capacity to address these needs in partnership with our local communities. The following provides an update on the actions taken on the three priority areas in fiscal year 2023 (FY23):

Mental Health:

Actions taken by Northern Light Mercy Hospital to address this priority in FY23:

Mercy trained staff in various evidence-informed mental health interventions to help anyone – children, adolescents, adults, and families – in the immediate aftermath of a

Part V Facility Information (continued)

Copy of

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.

Part V, Line 11 - Explanation of Needs Not Addressed and Reasons Why (continued)

traumatic experience to assist someone who may be experiencing a mental health crisis at any time.

Mercy Hospital staff engaged trusted partnerships with schools, afterschool programs, and youth serving organizations to educate and empower individuals to respond to mental and behavioral health needs of youth using evidence informed models. A video, Compassion Cures was created in partnership with Be the Influence, a collaborative in the Lakes Region area. Mercy's leadership and behavioral health staff used the video, participated in panel discussions, and offered subsequent trainings at schools, churches, and community settings. Mercy Hospital conducted five training sessions with 64 individuals trained. Northern Light Health's systemwide collective impact of our shared objective to increase the number of individuals trained to support the mental health needs of children and youth resulted in 35 youth mental health training sessions with 584 individuals trained.

Social Determinants of Health

Actions taken by Northern Light Mercy Hospital to address this priority in FY23: FindHelp.org is the nation's leading social care network, making it easier to connect patients and their families with free or reduced-cost programs from local partners and national support services with dignity and ease, and is one component of Northern Light Health's response to need in the communities we serve. Northern Light findhelp will allow users to directly communicate with referral partners to coordinate care of our patients.

Northern Light Mercy Hospital engaged in meaningful, trusted community partnerships to reach priority populations with equitable access to community resources and

Part V Facility Information *(continued)*

Copy of

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.

Part V, Line 11 - Explanation of Needs Not Addressed and Reasons Why (continued)

social supports and connect individuals with community resources they need to improve their health and well-being through the findhelp.org platform. Mercy Hospital participated on a monthly systemwide workgroup focused on community engagement efforts to educate community partners on the availability and uses of findhelp.org. Community partners were provided with assistance in adding their program information to the platform directory and with activating the ability to receive referrals or requests for information through the platform. Mercy Hospital engaged five community partners who added six programs to the findhelp directory. Northern Light Health's systemwide collective impact of our shared objective to increase community partner engagement with FindHelp.org resulted in 28 programs added to findhelp and 89 programs that increased engagement with findhelp.

Substance Use

Actions taken by Northern Light Mercy Hospital to address this priority in FY23: In collaboration with other Northern Light Health member organizations and community-based organizations, trained Mercy Hospital staff representing pharmacy and community health departments, worked diligently to improve processes and partnerships to reduce barriers and provide equitable access to state-sponsored Naloxone (Narcan) kits for priority populations.

Northern Light Mercy Hospital participated in the Maine Naloxone Distribution Initiative which provides state-purchased naloxone to community organizations, clinical sites, and end-users throughout the State of Maine to distribute free of charge. Through a collaboration with Portland Public Health, Mercy Hospital worked in the emergency department and primary care settings to provide education on the use of these naloxone kits to end-users to facilitate the reversal of private

Part V Facility Information *(continued)*

Copy of

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.

Part V, Line 11 - Explanation of Needs Not Addressed and Reasons Why (continued)

overdoses in the community. Mercy Hospital distributed 63 state-sponsored naloxone kits. Northern Light Health's systemwide collective impact of our shared objective to improve distribution and preventive access to state sponsored naloxone kits systemwide resulted in 1,453 naloxone kits distributed throughout Northern Light Health's service area.

Additional information related to actions taken by Mercy Hospital on the above priorities can be found in their FY23 Progress Report to Our Community at <https://northernlighthealth.org/Community-Health-Needs-Assessment/2022-Community-Health-Strategy> .

Mercy Hospital considered all priorities identified in the Shared CHNA, as well as other sources, through an extensive review process. Access to care was not selected as an independent priority of focus as many of our efforts identified in our strategy are connected to access issues. In addition, our hospital has current initiatives that are ongoing and part of our continual mission to improve access to care such as provider recruitment, engagement of navigators or the equivalent, and other efforts that support this priority.

Part V, Line 16j - Other Means Hospital Facility Publicized the Policy

Facility: Northern Light Mercy Hospital

Response for 7a (list URL) is:

<https://northernlighthealth.org/Mercy-Hospital>

Response for 7b (list URL) is:

<https://northernlighthealth.org/Community-Health-Needs-Assessment/2022-Shared-CHNA-Reports>

Part V Facility Information (continued)

Copy of

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.

Part V, Line 16j - Other Means Hospital Facility Publicized the Policy (continued)

Response for 10a (list URL) is:

<https://northernlighthealth.org/Community-Health-Needs-Assessment/2022-Community-Health-Strategy>

Response for 16a, 16b, 16c (list URL) is

<https://northernlighthealth.org/billing-help/Bill-Pay-Assistance> "Pay My Bill"

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)How many non-hospital health care facilities did the organization operate during the tax year? 26

Name and address	Type of facility (describe)
1 Northern Light Women's Health 195 Fore River Parkway, Suite 310 Portland, ME 04102	Medical Office Building - Physician Svc
2 Northern Light Breast Care 195 Fore River Parkway, Suite 250 Portland, ME 04102	Medical Office Building - Physician Svc
3 Northern Light Primary/Urgent Care 19 South Gorham Crossing Gorham, ME 04038	Medical Office Building - Physician Svc
4 Northern Light Cancer Care 195 Fore River Parkway, Suite 360 Portland, ME 04102	Medical Office Building - Physician Svc
5 Northern Light Lymphedema Care 1364 Congress Street, Suite 3 Portland, ME 04102	Medical Office Building - Physician Svc
6 Northern Light Spine Surgery 195 Fore River Parkway, Suite 440 Portland, ME 04102	Medical Office Building - Physician Svc
7 Northern Light Endocrinology and Diabetes Care 155 Fore River Parkway Portland, ME 04102	Medical Office Building - Physician Svc
8 Northern Light Cardiovascular Care 195 Fore River Parkway, Suite 460 Portland, ME 04102	Medical Office Building - Physician Svc
9 Northern Light Gastroenterology 155 Fore River Parkway, Suite 130 Portland, ME 04102	Medical Office Building - Physician Svc
10 Northern Light Women's Imaging 195 Fore River Parkway, Suite 260 Portland, ME 04102	Medical Office Building - Mammography Svc

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Schedule H (Form 990) 2022

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**
(list in order of size, from largest to smallest)How many non-hospital health care facilities did the organization operate during the tax year? 26

Name and address	Type of facility (describe)
11 Northern Light Pain Management 195 Fore River Parkway, Suite 120 Portland, ME 04102	Medical Office Building - Physician Svc
12 Northern Light Physical Therapy 1364 Congress Street, Suite 3 Portland, ME 04102	Medical Office Building - Physical Therapy Svc
13 Northern Light Primary Care 25 Long Creek Drive South Portland, ME 04106	Medical Office Building - Physician Svc
14 Northern Light Internal Medicine 43 Baxter Boulevard Portland, ME 04101	Medical Office Building - Physician Svc
18 Northern Light Surgery 195 Fore River Parkway, Suite 210 Portland, ME 04102	Medical Office Building - Physician Svc
20 Northern Light Primary Care 75 Gray Road Falmouth, ME 04105	Medical Office Building - Physician Svc
22 Northern Light Primary/Urgent Care 409 Roosevelt Trail Windham, ME 04062	Medical Office Building - Physician Svc
23 Northern Light Wound and Hyperbaric Medicine 155 Fore River Parkway, Suite 110 Portland, ME 04102	Medical Office Building - Physician Svc
24 Northern Light Primary Care 385 Route One Yarmouth, ME 04096	Medical Office Building - Physician Svc
25 Dr. Harry E. Davis Pediatrics 195 Fore River Parkway, Suite 160 Portland, ME 04102	Medical Office Building - Physician Svc

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Schedule H (Form 990) 2022

Part V Facility Information *(continued)*

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
 (list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 26

Name and address	Type of facility (describe)
26 Dr. Harry E. Davis Pediatrics 385 Route One Yarmouth, ME 04096	Medical Office Building - Physician Svc
27 Dr. Harry E. Davis Pediatrics 409 Roosevelt Trail Windham, ME 04062	Medical Office Building - Physician Svc
28 Northern Light Ear, Nose and Throat Care 195 Fore River Parkway, Suite 420 Portland, ME 04102	Medical Office Building - Physician Svc
29 Northern Light Mercy Midwives 527 Ocean Avenue Portland, ME 04103	Medical Office Building - Physician Svc
30 Northern Light Orthopedics 20 Northbrook Drive Falmouth, ME 04105	Medical Office Building - Physician Svc
31 Northern Light Mercy Outpatient Specialty & Surgery Cent 155 Fore River Parkway Portland, ME 04102	Medical Office Building - Physician Svc

Part VI Supplemental Information

Provide the following information.

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

Part I, Line 6a - Related Organization Community Benefit Report

Northern Light Mercy Hospital is a member of Northern Light Health (EIN = Eastern Maine Health Systems DBA NLH 01-0527066). Our Community Benefit Report is included in the following documents annually:

- Northern Light Health's Annual Report; a sub-section in the report

<https://northernlighthealth.org/About-Us>

- Northern Light Health Community Benefit Reports are available at:

<https://northernlighthealth.org/Community-Health-Needs-Assessment/Community-Benefit-Reports>

In FY23, Northern Light Health members incorporated a methodology for capturing indirect costs which comply with community benefit reporting requirements.

Part I, Line 7 - Explanation of Costing Methodology

Ratio of Patient Care Cost-to-Charges is used in calculations.

Part III, Line 2 - Methodology Used To Estimate Bad Debt Expense

The costing methodology used to determine the amount is cost to charge ratio.

Part III, Line 4 - Bad Debt Expense

Patient and trade accounts receivable are stated at the amount management expects to collect from outstanding balances. See Footnote 2 of the attached financial statements, page 16 to 19 - Patient Service Revenue and Accounts Receivable section.

Part VI Supplemental Information

Provide the following information.

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- 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 III, Line 8 - Explanation Of Shortfall As Community Benefit

Medicare losses should be treated as a community benefit because the losses are incurred in performing an important public service, and Maine hospitals experience one of the lowest Medicare reimbursement rates in the country.

Part III, Line 9b - Provisions On Collection Practices For Qualified Patients

All account guarantors who express an inability to pay inpatient and outpatient services will be screened for eligibility for charity care using an application and guidelines established by Northern Light Mercy Hospital. An account may be reconsidered for charity care at any time when new information is available about a patient's inability to pay.

Part VI, Line 3 - Patient Education of Eligibility for Assistance

Northern Light Health Financial Counselors screen patients for federal, state or government programs and brochures are displayed at all Northern Light locations. Financial Assistance is widely publicized within the community by the following methods:

- Offered by receiving a conspicuous written notice on their billing statements
- Listed on the Northern Light Health web portal

www.northernlighthealth.org/billing

- Posters are displayed in public locations in each hospital facility
- Community posters are displayed outside of the organization (Food Cupboards,

Part VI Supplemental Information

Provide the following information.

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- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (for example, open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part VI, Line 3 - Patient Education of Eligibility for Assistance (continued)

Libraries, Auditoriums, Churches, Banks)

•Packets are provided at all check in locations which include an application, instructions, and a Financial Assistance Policy (FAP) Plain Language Summary

Part VI, Line 4 - Community Information

Located in Portland, Maine, Northern Light Mercy Hospital has a service area comprised of both primary and secondary service areas, together referred to as the total service area. Total service areas (TSA's) are developed by the Northern Light Health Planning department based on neighboring zip codes from which a majority of a hospital's inpatient admissions originate. TSA's can sometimes overlap due to hospital locations or because of the specialty services provided by the hospitals.

Towns representing Mercy Hospital's primary service area include: Buxton, Cape Elizabeth, Casco, Cornish, Cumberland, East Baldwin, Falmouth, Freeport, Gorham, Gray, Hollis, Limington, North Yarmouth, Old Orchard Beach, Portland, Pownal, Raymond, Saco, Scarborough, South Portland, Standish, Steep Falls, West Baldwin, Westbrook, Windham, and Yarmouth.

Towns representing Mercy Hospital's secondary service area include: Acton, Alfred, Bath, Biddeford, Bridgton, Brownfield, Brunswick, Denmark, Durham, East Waterboro,

Part VI Supplemental Information

Provide the following information.

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- 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 VI, Line 4 - Community Information (continued)

Fryeburg, Harpswell, Harrison, Hiram, Kennebunk, Kennebunkport, Lebanon, Limerick, Lovell, Naples, New Gloucester, North Waterboro, Parsonsfield, Poland, Porter, Sanford, Sebago, Shapleigh, Springvale, Topsham, Waterboro, Waterford, and West Newfield.

Cumberland County's race/ethnicity and selected demographics are provided below for Mercy Hospital based on the hospital's physical location in Cumberland County.

Cumberland County - Race/Ethnicity: American Indian/Alaskan Native 0.2% (578), Asian 2.2% (6,350), Black/African American 3.0% (8,863), Native Hawaiian or Pacific Islander 0.0% (34), White 91.7% (268,151), Some other race 0.4% (1,091), Two or more races 2.5% (7,240), Hispanic 2.1% (6,061), Non-Hispanic 97.9% (286,246), Total county population 292,307.

Cumberland County - Selected Demographics: Median household income \$73,072, Unemployment rate 5.3%, Individuals living in poverty 9.0%, Children living in poverty 9.2%, 65+ living alone 29.8%, Veterans 7.2%, Gay, lesbian, and bisexual (high school students) 12.1%, Gay, lesbian and bisexual (adults) 4.4%, Transgender youth (high school students) 1.7%, Persons with a disability 11.4%.

Part VI Supplemental Information

Provide the following information.

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- 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.
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- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (for example, open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part VI, Line 4 - Community Information (continued)

Other hospitals serving the Northern Light Mercy Hospital community: Based on the State of Maine's definition of hospital service area, Northern Light Mercy Hospital's community is served by an additional two other hospitals, New England Rehabilitation Hospital and Maine Medical Center per Hospital Service Area (HSA) designation. Additionally, the Health Resources & Services Administration designated Mercy Hospital's service area as having a total of 21 medically underserved populations.

Part VI, Line 4 - Community Building Activities

Northern Light Mercy Hospital's community building activities include Gary's House that provides affordable housing for families of patients in Portland area hospitals and New Mainer Workforce Development.

Part VI, Line 5 - Promotion of Community Health

Northern Light Mercy Hospital furthers its exempt purpose by promoting the health of the community through the following community health improvement grant activity in FY23:

- Community Health Education: McAuley Bangor Residence - Develop housing-based programs employing evidence-based strategies in a holistic approach to recovery for vulnerable families affect by substance abuse. Program must treat mother affected by substance abuse with at least one child under 10 years of age.; JTG Education

Part VI Supplemental Information

Provide the following information.

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

Part VI, Line 5 - Promotion of Community Health (continued)

Coaches - Expand the existing Family-Centered Education to its McAuley North location in Bangor, as well as to serve a larger number of McAuley South residents in Portland.

•Health Care Support Services: Maine Cancer Foundation Piloting Uber Health -

Provide reliable transportation for cancer patients in the Portland area.;

Medication Assisted Treatment - Mercy Medical Neighborhood & Improving Access to

Quality Care; JTG Pregnant Empowerment - Support In Her Presence and provide

culturally informed care, including pairing Cultural Doulas with pregnant women.

Part VI, Line 6 - Affiliated Health Care System

The 2022 Maine Shared Community Health Needs Assessment (CHNA) was conducted by Northern Light Health in collaboration with several member/affiliated hospitals, non-affiliated hospitals as well as public health and community organizations across the state. The Maine Shared CHNA informs initiatives to promote community health across the system as well as within each member hospital's local service area. Each member hospital adopted shared local implementation strategies referred to as a Community Health Strategy and annual community health improvement plans, tailored to meet local needs.

Part VI Supplemental Information

Provide the following information.

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

Part VI, Line 7 - States Filing Community Benefit Report

N/A

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

Attach to Form 990.

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

OMB No. 1545-0047

2022

Open to Public
Inspection

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Part I Questions Regarding Compensation

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

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

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

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

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

- | | | |
|--|--|----------|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract | Part III |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study | |
| <input type="checkbox"/> Form 990 of other organizations | <input 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? | 4a | X | |
| b Participate in or receive payment from a supplemental nonqualified retirement plan? | 4b | X | |
| c Participate in or receive payment from an equity-based compensation arrangement? | 4c | | X |
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III. 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? | 5a | | X |
| b Any related organization? | 5b | | X |
- 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? | 6a | | X |
| b Any related organization? | 6b | | X |
- 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. 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)?

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

Schedule J (Form 990) 2022

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(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				(C) Retirement and other deferred compensation
1 Craig Brett, MD Trustee/Ex-Off	(i)	464,348.	45,009.	24,593.	7,625.	31,636.	573,211.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 George Eaton Secretary	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	360,612.	60,144.	23,777.	26,795.	23,754.	495,082.	0.
3 John Southall VP Sr Phys Exec	(i)	347,868.	0.	2,200.	11,438.	31,237.	392,743.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 Robyn McDevitt VP Pt Cr Svcs	(i)	154,038.	0.	1,890.	5,987.	21,439.	183,354.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 Charles Therrien Pres/Ex-Off	(i)	400,003.	123,905.	110,411.	81,794.	23,239.	739,352.	82,589.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 Anthony Filer Treasurer	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	597,838.	82,139.	15,453.	27,450.	36,592.	759,472.	0.
7 David Kennedy VP, Finance	(i)	225,078.	0.	2,136.	15,564.	1,151.	243,929.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 Mark Seelen VP Surgical Svc	(i)	191,869.	20,000.	11,557.	0.	2,447.	225,873.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 Timothy Dentry Trustee/Ex-Off	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	1,180,115.	308,222.	21,403.	27,450.	34,642.	1,571,832.	0.
10 Paul Bolin SVP & CPO	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	386,106.	127,480.	29,683.	82,758.	27,275.	653,302.	0.
11 Wendy Napolitano VP Perf Oper	(i)	201,924.	0.	4,331.	8,072.	33,076.	247,403.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
12 Melissa Skahan VP Mission Int	(i)	216,333.	0.	4,121.	5,245.	26,195.	251,894.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
13 Stephen W. Rodrigue Physician	(i)	1,148,476.	0.	22,822.	14,823.	1,891.	1,188,012.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
14 John Wahlig Physician	(i)	972,413.	191,504.	23,782.	7,625.	39,901.	1,235,225.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
15 Christopher Kleeman Physician	(i)	394,289.	249,650.	69,989.	1,565.	31,351.	746,844.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
16 Nicolas F. Arredondo Physician	(i)	952,209.	307,935.	26,062.	7,625.	36,628.	1,330,459.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

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 3 - Methods Used By Related Org. To Establish CEO/Exec. Dir. Compensation

The SVP & President of Northern Light Mercy Hospital is employed by the system parent, Eastern Maine Healthcare Systems, d/b/a Northern Light Health (NLH). The NLH Executive Performance Management Committee (the Committee) is responsible to determine the compensation of Northern Light Mercy Hospital SVP, President in consultation with the NLH President/CEO. The Committee used the following methods to establish the SVP, President's compensation:

- Compensation committee
- Independent compensation consultant
- Written employment contract
- Compensation survey or study
- Approval by the board or compensation committee

Part I, Line 4 - Received Severance, Supplemental NQ Retirement, Equity-Based Compensation

Line 4(a) Severance payment:

Gregory Orr, former officer, received a severance payment of \$72,309.

Line 4(b) Supplemental non-qualified retirement plan:

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 4 - Received Severance, Supplemental NQ Retirement, Equity-Based Compensation (continued)

Charles Therrien -

A pension obligation satisfied through a supplemental non-qualified retirement plan is based on a percent of qualified earnings or by specific agreement. The portion accrued for the supplemental non-qualified retirement plan is \$57,649, based on the amounts contributed and related earnings. The supplemental non-qualified retirement benefit is subject to a substantial risk of forfeiture.

Compensation includes a lump-sum payout of \$82,589 from the supplemental non-qualified retirement plan. Existence of the non-qualified plan was reported in prior years and does not represent additional expense beyond what was previously accrued in the company's financial statements.

Glenn Martin -

A pension obligation satisfied through a supplemental non-qualified retirement plan is based on a percent of qualified earnings or by specific agreement. The portion accrued for the supplemental non-qualified retirement plan is \$64,903, based on the amounts contributed and related earnings. The supplemental non-qualified retirement benefit is subject to a substantial risk of forfeiture.

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 4 - Received Severance, Supplemental NQ Retirement, Equity-Based Compensation (continued)

Compensation includes a lump-sum payout of \$77,993 from the supplemental non-qualified retirement plan. Existence of the non-qualified plan was reported in prior years and does not represent additional expense beyond what was previously accrued in the company's financial statements.

Paul Bolin -

A pension obligation satisfied through a supplemental non-qualified retirement plan is based on a percent of qualified earnings or by specific agreement. The portion accrued for the supplemental non-qualified retirement plan is \$61,583, based on the amounts contributed and related earnings. The supplemental non-qualified retirement benefit is subject to a substantial risk of forfeiture.

Other compensation information:

Charles Therrien -

This director/officer is employed by the system parent organization, Eastern Maine Healthcare Systems d/b/a Northern Light Health. 100% of his time is dedicated to

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 4 - Received Severance, Supplemental NQ Retirement, Equity-Based Compensation (continued)

Northern Light Mercy Hospital. As a result his compensation is reported in Form 990, Part VII, column D and Schedule J, Part II, Line A(i).

David Kennedy -

This officer is employed by the system parent organization, Eastern Maine Healthcare Systems d/b/a Northern Light Health and 100% of his time is dedicated to Northern Light Mercy Hospital. As a result his compensation is reported in Form 990, Part VII, column D and Schedule J, Part II, Line A(i).

Timothy Dentry -

This director/officer is employed by the system parent organization, Eastern Maine Healthcare Systems d/b/a Northern Light Health and is responsible for system-wide operations of ten hospitals and other related health care activities, including Northern Light Mercy Hospital.

George Eaton -

This officer is employed by the system parent organization, Eastern Maine Healthcare Systems d/b/a Northern Light Health and is responsible for system-wide operations of

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 4 - Received Severance, Supplemental NQ Retirement, Equity-Based Compensation (continued)

ten hospitals and other related health care activities, including Northern Light Mercy Hospital.

Anthony Filer -

This officer is employed by the system parent organization, Eastern Maine Healthcare Systems d/b/a Northern Light Health and is responsible for system-wide operations of ten hospitals and other related health care activities, including Northern Light Mercy Hospital.

Paul Bolin

This officer is employed by the system parent organization, Eastern Maine Healthcare Systems d/b/a Northern Light Health and is responsible for system-wide human resources, including Northern Light Mercy Hospital.

Glenn Martin -

This former officer was employed by the system parent organization, Eastern Maine Healthcare Systems d/b/a Northern Light Health and was responsible for system-wide operations of ten hospitals and other related health care activities, including

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 4 - Received Severance, Supplemental NQ Retirement, Equity-Based Compensation (continued)

Northern Light Mercy Hospital.

Bette Neville -

This former officer is employed by the system parent organization, Eastern Maine Healthcare Systems, d/b/a Northern Light Health.

Compensation for employees of Northern Light Mercy Hospital listed in Form 990, Part VII and Schedule J, Part II are for administrative services. Board members are not compensated for the time devoted on the board.

Part I, Line 7 - Non-Fixed Payments Not Listed

Physician bonuses reported in Part II, column (ii) are based on worked RVU's.

Continuation Sheet for Schedule J (Form 990)

2022

Continuation Page 1 of 1

Name of the organization

Mercy Hospital

Employer identification number

01-0211534

Part II Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (Schedule J, Part II)

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i) - (D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
Bruce F. Gomberg	(i)	759,237.	0.	23,379.	7,145.	10,443.	800,204.	0.
Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
Bette L. Neville	(i)	0.	0.	0.	0.	0.	0.	0.
Former VP, CNO	(ii)	298,157.	63,864.	10,047.	19,975.	25,667.	417,710.	0.
Glenn Martin	(i)	0.	0.	0.	0.	0.	0.	0.
Former SVP-Chief Legal Officer	(ii)	238,691.	0.	124,747.	88,673.	17,433.	469,544.	77,993.
Gregory Orr	(i)	115,610.	0.	77,258.	3,075.	14,293.	210,236.	0.
Former VP-Medical Group	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

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.

OMB No. 1545-0047

2022

**Open to Public
Inspection**

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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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 Maine Health & Higher Edu	01-0314384	56042RH88	5/01/2021	101,765,219.	Refinance 2020 & 2014 Bonds		X		X	X	
B											
C											
D											

Part II Proceeds									
	A		B		C		D		
1 Amount of bonds retired	5,165,000.								
2 Amount of bonds legally defeased									
3 Total proceeds of issue	101,765,219.								
4 Gross proceeds in reserve funds	6,455,850.								
5 Capitalized interest from proceeds									
6 Proceeds in refunding escrows	78,205,000.								
7 Issuance costs from proceeds	933,374.								
8 Credit enhancement from proceeds									
9 Working capital expenditures from proceeds									
10 Capital expenditures from proceeds									
11 Other spent proceeds	16,170,995.								
12 Other unspent proceeds									
13 Year of substantial completion	2021								
	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							
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								
16 Has the final allocation of proceeds been made?	X								
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X								

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						
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X						
3a Are there any management or service contracts that may result in private business use of bond-financed property?		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						
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?								
8a Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		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							

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

Part IV Arbitrage (continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
4 a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b Name of provider	N/A							
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
5 a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b Name of provider	N/A							
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						
7 Has the organization established written procedures to monitor the requirements of section 148?	X							

Part V Procedures To Undertake Corrective Action

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

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

**SCHEDULE L
(Form 990)**

Transactions With Interested Persons

OMB No. 1545-0047

2022

**Open To Public
Inspection**

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
Attach to Form 990 or Form 990-EZ.

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

Department of the Treasury
Internal Revenue Service

Name of the organization **Mercy Hospital
Northern Light Mercy Hospital** Employer identification number **01-0211534**

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and section 501(c)(29) organizations only). Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization \$ _____

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
			(1)									
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
Total						\$						

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

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

Schedule L (Form 990) 2022

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
(1) Jennifer Palminteri, MD	officer=partner	1,781,064.	contractual provide servi		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information.

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

Supplemental Information

Jennifer Palminteri, board member is partner of Chest Medicine Associates who contractually provides services to Northern Light Mercy Hospital.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2022

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.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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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			5,070.	FMV
6 Cars and other vehicles	X	1	10,919.	FMV
7 Boats and planes				
8 Intellectual property				
9 Securities – Publicly traded	X	1	68,279.	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		9	6,122.	FMV
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other (Gift Certificat)		16	15,850.	FMV
26 Other (Jewelry)		2	570.	FMV
27 Other (10 Shs Vanguard)		1	1,384.	FMV
28 Other ()				

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

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least 3 years from the date of the initial contribution, and which isn't required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions?	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

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

Schedule M (Form 990) 2022

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 O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990 or 990-EZ

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

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

OMB No. 1545-0047

2022

**Open to Public
Inspection**

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part III, Line 4d - Other Program Services Description

Charity care provided (at cost): 540 persons served

Please see the following excerpt from the Northern Light Health Annual Report 2023 to the Community for details of community benefit projects at NLH members:

Northern Light Health

Annual Report 2023

HOW ARE YOU?

How are you is a simple question that we ask many times throughout the day, but it's also a question that goes beyond conversation, an expression of genuine care and interest in the wellbeing of others. It's a foundation of the deeper, more meaningful relationships we build with our employees, patients, community members, and others. We hope this annual report illustrates how this question, while at the heart of our character, is one of the ways we guide our patients and their families through the healthcare experience.

This year, we highlight ways our incredible employees and community partners work together to ensure we are making healthcare work for all people in Maine. From a nurse who provides healing care in the hospital and nourishing food in a restaurant, to helping community members combat opioid use disorder with Narcan training.

Our commitment extends well beyond the walls of our facilities; we are training community organizations in psychological first aid and are collaborating with our

local communities to promote health education and help create a healthier Maine. We

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part III, Line 4d - Other Program Services Description

extend our gratitude to our dedicated staff and community partners, and to the people of Maine who place their trust in us. We hope you take a moment to ask, "How are you?" and see how incorporating this simple but meaningful question into your daily interactions can positively affect our relationships and create meaningful connections.

We hope you enjoy the 2023 Annual Report.

Timothy J. Dentry, MBA

President & CEO

Northern Light Health

John Ryan

Board Chair

Northern Light Health

HOW ARE YOU...

GOING TO SAVE A LIFE?

Northern Light Health's Narcan Program: Saving Lives in Maine

Andrew Mitchell found himself in a situation he never expected. He was outside a restaurant in Bangor one August afternoon in 2022 when a life changing experience convinced him of the importance of the overdose-reversing medication, Narcan.

Mitchell, who received a Narcan kit at the Blue Hill Fair, was out with a friend when a woman across the street urgently called out that a man was overdosing.

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

Quickly, Mitchell rushed to his truck, grabbed the Narcan kit, and administered the life-saving drug to the unconscious man, whose lips had turned blue. Thanks to his timely intervention, the man began to regain consciousness.

Mitchell received his free Narcan kit from Northern Light Blue Hill Hospital, which has been at the forefront of addressing Maine's opioid epidemic. Employees handed out these kits to the public at the Blue Hill Fair in 2022 and 2023. Mitchell shares, "I had no medical training at all, and if I can use Narcan, anyone else can use it too. It's straightforward," he shares.

Northern Light Health's efforts extend beyond Narcan distribution to individuals. Hospitals across the system are engaging the community in a new and meaningful way. Northern Light Inland Hospital in Waterville and Northern Light Sebasticook Valley Hospital in Pittsfield provide training to community organizations on the use of Narcan. The hospitals' training programs are part of a three-year federal grant program to reduce overdose deaths in Maine.

Hanna Bouchard, a community health outreach coordinator with both hospitals, plays a vital role in this program. Her experience as an emergency medical technician, coupled with her dedication to the cause has made her a key figure in providing Narcan training to community partners, including Kennebec Valley Community College in Fairfield. "This program is not just about teaching people how to use Narcan; it's about giving them the knowledge and tools to save lives," shares Bouchard.

In the battle against opioid overdoses, data tells a compelling story. Maine experienced more than 700 overdose deaths in 2022, and while the numbers are

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

alarming, Narcan is making a difference. Of the 9,394 reported non-fatal overdoses, 2,200 were reversed thanks to community members carrying Narcan. Now with Food and Drug Administration approval, this life-saving medication is available over the counter.

Across Maine, the opioid crisis remains a significant challenge. These initiatives, whether distributing Narcan kits at the Blue Hill Fair or providing community trainings, are crucial steps towards reducing drug overdose deaths. These programs serve as beacons of hope, reminding us that every life is worth saving, and every intervention counts.

A Vital Connection

Are you monitoring your health?

Northern Light Home Care & Hospice is one of the first home healthcare agencies to endorse and promote telehealth for patients who qualify. Through LiveConnected, Northern Light's telehealth program, monitors can be installed in a patient's home. Our nurses train patients on how to read and record the information to monitor their condition, and the machine does the rest! More than 630 Mainers statewide use LiveConnected, including those who are not patients of Home Care & Hospice.

The service uses monitoring equipment to provide daily readings of vital signs to registered nurses. The nurses work with the patient and their physician to maintain and adjust medications from the convenience of home. Each day at a pre-determined time, the machine guides the patient through the steps to monitor their health.

Northern Light Home Care & Hospice uses a team approach to deliver care, educate our

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

patients, and to better manage conditions like chronic heart and lung diseases. Often, managing chronic health conditions means frequent trips to the doctor or hospital to monitor vital signs. Using telemonitoring and offering care, such as physical therapy, occupational therapy, and speech language pathology to patients at home eliminates the stress of frequent trips and difficult access to transportation.

Each Northern Light Home Care & Hospice patient receives a customized care plan that includes clinical home visits, telehealth monitoring, and education designed for the individual, allowing patients to manage their care from the comfort of home.

To learn more about LiveConnected visit northernlighthealth.org/liveconnected.

To find out if you qualify, please call 800-757-3326 to speak to a member of our Home Care & Hospice team.

HOW ARE YOU...

AND YOUR BABY?

Transforming Lives: Francis Warde Home

For decades, Portland has been a destination for people seeking asylum; leaving their home countries, seeking safety and protection in a new place to call home. Sometimes, there are cracks in the social safety net for this vulnerable population, and some of the most vulnerable are pregnant women.

One woman, who came to Northern Light Mercy Hospital on a cold rainy day in June, was five months pregnant, without shelter, and in dire need of care. Melissa Skahan, vice president of Mission Integration at Mercy, recounts her story, "This woman was

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part III, Line 4d - Other Program Services Description

ill, had no home, and a discharge plan would potentially put her back out on the street or into another short-term shelter.”

Thankfully, Skahan was already working on a solution. Mercy Hospital had recently teamed up with the non-profit In Her Presence (IHP), to start a new, two-generational program for pregnant women who are seeking asylum. The new program would open soon, in the former Francis Warde Convent, a residence once owned by the Sisters of Mercy of the Americas and named after one of the original Sisters of Mercy.

The Francis Warde Home was nearly ready to open, so instead of sending this pregnant woman back into uncertainty, hospital staff stepped in. Within 48 hours, they made a crucial decision that would change her life. Skahan adds, “Our staff kept her here, and the program launch was timed so that we were able to move her quickly into Francis Warde.”

The Francis Warde program, as it is commonly referred to, ensures that vulnerable women in need of shelter, basic needs, and healthcare receive support. Overseeing the day-to-day operations of the Francis Warde program is Claudette Ndayininahaze, the co-founder and executive director of IHP. Ndayininahaze emphasizes, “We are just beginning to understand how to see the whole person and serve the whole person. The IHP approach is creating long-term community and lifelong learners who give back. We need to integrate culture and ensure a true balance of power so that women from all over the world feel empowered to shape their healthcare.”

The program goes beyond providing shelter and healthcare. It extends to offering

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

educational opportunities, including English language classes and workforce training at Northern Light Mercy Hospital. The women who benefit from the program go through a remarkable transformation.

In Skahan's words, "It's transformative. I've seen people who have been in the program for a few months, and they look like different people than when you first meet them because their basic needs are met, and they are constantly progressing and developing."

The Francis Warde Home empowers those who have experienced hardship and displacement to influence their interactions with healthcare. The model reflects the specific needs of immigrant women and their children across the continuum of care.

Through this program, Mercy Hospital, in partnership with IHP, is creating a healthier, more inclusive society where vulnerable individuals can thrive. Other collaborating agencies in this endeavor include Community Housing of Maine, JTG Foundation, Sisters of Mercy of the Americas, and the State of Maine.

Our Climate Health Pledge

How can we Improve our Planet's Health?

We know that climate change can translate into poorer health outcomes for people across the planet and right here in Maine. To create a healthier environment for everyone, Northern Light Health has pledged to reduce our greenhouse gas emissions by 50 percent by 2030, and to achieve net zero emissions by 2050. In 2021, we began to gather data on things like direct emissions related to our use of heating fuels,

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part III, Line 4d - Other Program Services Description

vehicles, and even anesthetic gases.

We also looked at indirect emissions from our electricity usage. We've converted to electric vehicles, built more energy efficient hospitals, and began outsourcing our electricity from more renewable sources. In year one of our pledge, we've already reduced our greenhouse gas emissions by more than ten percent! We know there is a long way to go, but we're pleased that we are off to such a positive start!

We have some exciting new projects planned for 2024 including improvements to our supply chain, a food waste program, and a new podcast series on climate sustainability.

To learn more, visit Northernlighthealth.org/Sustainability

HOW ARE YOU...

SHARING YOUR CULTURE?

A Journey of Nursing and Nourishing

It's just before 9 am when Hope Moneke and one of her daughters arrive in Veazie, a suburb of Bangor, to start cooking for their restaurant where they serve delicious African cuisine each Friday through a shared kitchen arrangement. Moneke and her family made the life-changing decision to move to Maine a decade ago, seeking new opportunities and a better life. With an innate desire to help people, Moneke went to school and became a nurse, something that was not easily accessible to her in Nigeria.

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

Now, she works on a busy cardiac floor at Northern Light Eastern Maine Medical Center. Little did Moneke know that her journey would lead to the creation of a unique blend of cultures, where her roles as a nurse and a chef would intertwine to bring joy, comfort, and a taste of home to her new community.

Like many new Mainers, Moneke and her family missed the food and flavors of home. This became an opportunity for Moneke to pursue her other great passion: cooking. Growing up in Nigeria, she had honed her culinary skills, and now she had the chance to share her culture through food. Moneke's flexible nursing schedule allows her to dedicate time to both her patients and her restaurant. She works three days a week at the medical center, where she finds immense fulfillment caring for patients. This role as a nurse is not just a job for Moneke; it's a calling.

Moneke's face lights up when she describes the joy she finds in patient care and how her culinary artistry is an extension of her nurturing spirit as a nurse. "I feel a deep sense of accomplishment in caring for my patients, and then being able to share my culture with this community through food," says Moneke.

For Moneke, both her roles, nurse, and chef, are intertwined. She is a healer in both settings and finds great satisfaction in serving and making a difference in people's lives.

Her gift is not just about the food she serves; it's about the connections she creates and the joy she brings to those whose lives she touches. Her story is a reminder that no matter where we come from, we all share the common human experience of wanting to make a difference and finding fulfillment on our journeys. Moneke has

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

achieved just that, with a warm smile and a plate full of delicious African cuisine.

"People come here, and they tell me my food is delicious, and that makes me very happy," says Moneke. "I feel so proud of myself that I accomplished this, and I get to make a difference in people's lives, that is the most important thing."

HOW ARE YOUR...

STUDIES GOING?

Bringing Education to Rural Communities

Rural hospitals play a vital role in providing essential medical services to underserved communities. However, these hospitals often face significant challenges in recruiting and retaining nurses. To understand the transformative power of innovative programs designed to attract and keep nursing talent in rural areas, look no further than the inspiring story of Danielle Craig, RN, Northern Light Mayo Hospital.

Craig represents the heart and soul of rural healthcare in Maine. Her remarkable journey into the nursing profession and her unwavering commitment to serving her community highlight the positive effects of programs designed to recruit and retain nurses to rural Maine.

As the mother of six children, Craig faced a unique set of challenges when considering a career in nursing. The need to balance her family's well-being with her professional aspirations was a significant concern. Rural living often comes with lengthy commutes to educational institutions and healthcare facilities, making it difficult for individuals like Craig, with a growing family, to pursue their dreams.

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

Craig's journey took a fateful turn when she stumbled upon an ad in the Piscataquis Observer for a nursing program in Dover-Foxcroft and a distance learning program offered by Eastern Maine Community College (EMCC) in Bangor, a unique program bringing education closer to home for rural residents. EMCC held the classes at the Piscataquis County Technical Center in Dover-Foxcroft. Craig recalls, "I had children at home, so less time on the road meant more time with them outside of class and less need for childcare."

The program's innovative approach included video conferences, allowing students to access the same instructors and the same classes available on campus, and dedicated in-classroom support from nursing professionals like Nikki Chadwick, RN, MSN, CPHQ, vice president of Quality and Education, Northern Light Mayo Hospital, who played an integral role in Craig's journey. Craig recalls, "We had Nikki in the classroom to help support us, answer any questions we had, and she took us to our clinicals right in town at Mayo Hospital."

For Craig, this educational opportunity was not only life-changing but also transformative for her family. She emphasizes, "Before I became a nurse, we were a one-income family with six children. By providing access to education to rural communities, you're bringing those families up, and that will bring the entire community up."

Umbrella Sky Project

Are you inspired?

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

Art inspires imagination and wonder. It takes us to new places and makes us feel curious and excited. The Umbrella Sky Project, sponsored by Northern Light Eastern Maine Medical Center, inspired by Mary Poppins, is an outdoor art exhibit installed around the world that took over downtown Bangor in summer 2023. The display of whimsy, exuberance, energy, and maybe a little bit of protection from the rain and sun came to Cross Street, the corridor between Main Street and Columbia Street. If you missed it, don't worry; the installation returns in summer 2024. Be sure to come visit and when we ask, "How are you?" we hope you will reply, "Practically perfect in every way!"

HOW ARE YOU...

PUTTING YOUR HEALTH FIRST?

Assembling the Puzzle:

Integrated Women's Health

In today's fast-paced world, women often find themselves juggling a multitude of responsibilities, from caring for family to excelling in the workplace. Amidst this balancing act, the importance of their own health often takes a back seat.

Fortunately, healthcare providers like Behnoosh Dashti, MD and Danielle Agrella, WHNP, of Northern Light Women's Health, recognize this challenge and are offering a holistic approach to women's health.

The concept centers around an integrated care setting, one that combines primary care and obstetrics/gynecology services in a seamless and convenient way: essential healthcare components under one roof, delivering a unique and cohesive healthcare experience.

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part III, Line 4d - Other Program Services Description

Dr. Dashti compares it to assembling pieces of a puzzle. "We make sure that all pieces are beside each other in the same frame. I think the clinic could be seen as a frame that brings all the pieces of the puzzle of healthcare together for women all in the same place."

The Women's Health Center is conveniently located within Northern Light AR Gould Hospital. Dr. Dashti points out, "If they need blood tests or imaging, we can arrange that at the hospital, in some cases even on the same day." This minimizes the need for patients to travel for different tests and procedures, making care accessible and efficient.

The advantages are even more apparent when considering the rural setting of Maine. "Harsh winter weather can hinder travel. Patients no longer need to brave challenging conditions to access healthcare services scattered across town. Instead, they can find the care they need all in one place," says Agrella.

This care model goes beyond just providing healthcare services; it empowers women to make themselves a priority. It serves as a reminder to all to place their health first so that they are better equipped to face the demands of life, for themselves and for those they love. Highlighting the importance of patient-centered care and the profound effect it can have on individual lives and the community as a whole, the collaborative spirit of these providers sets a new standard for healthcare delivery in their community, ensuring that individuals receive the care they need and deserve.

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part III, Line 4d - Other Program Services Description

Self-scheduling your Mammogram

Are you taking charge of your schedule?

Breast cancer is the second leading cause of cancer death in women. When detected early, 98 percent of patients survive. Breast cancer can be detected in a mammogram up to three years before patients can feel any changes. Screening mammograms, starting at age 40, are a crucial part of breast cancer prevention and early detection, and online self-scheduling makes it easier than ever to make sure you're up to date.

Available 24 hours a day, seven days a week, you can schedule your screening mammogram whenever it's convenient for you. Since beginning in June of 2022, more than 2,600 people have self-scheduled their mammogram at a Northern Light Health hospital.

Visit NorthernLightHealth.org/ScheduleAMammogram to schedule your screening mammogram today.

ARE YOU OK TODAY?

Psychological First Aid Training: A Resource for our Communities

It's a warm morning in August and as the sun rises over the lake at Camp Jordan in Ellsworth; campers and counselors begin their day with a quick swim. While memories of summer camp can be some of the best, it's important to be prepared if a child needs extra support. Children are facing an increasing amount of stress and emotional challenges; providing psychological first aid (PFA) training is one way

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
---	--

Form 990, Part III, Line 4d - Other Program Services Description

we're helping community organizations in our region prepare to provide support.

Northern Light Acadia Hospital, in collaboration with other Northern Light Health members, provides training sessions to community partners including camp counselors, hospitals, and local schools.

Jennifer Laferte-Carlson, community health manager, Northern Light Acadia Hospital, together with a team of colleagues offer the training at no cost to organizations and leaders throughout Maine.

"This training allows there to be a bridge to keep people safe until they can be connected with resources," says Laferte-Carlson. "Training includes providing skills to identify and respond to those who have experienced trauma, being able to connect those individuals to resources and provide them with skills for self-care."

Among the counselors to receive training at Camp Jordan in Ellsworth was Blair Hudson, the arts and culture director at the camp. Hudson, who is in her seventh year as a camp counselor, says the training has allowed her to be more proactive in identifying early signs of emotional distress in campers. The newfound skills help her create a safer and more supportive environment for the kids and teens under her care.

"I had never had any type of training in mental health or psychological first aid, so this was a great addition to my skill set," says Hudson. "I came out of the training with a lot more confidence to handle certain situations on my own, and I've been able to use it on a couple occasions over the course of the summer, specifically with children having panic attacks or experiencing other signs of trauma."

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

"Now more than ever, this training is essential for members of our communities to be equipped with the skills to recognize and address emotional distress," adds Laferte-Carlson.

In a time of crisis, PFA training empowers community members to feel confident and capable in supporting others emotional well-being. It plays a significant role in reducing the stigma around seeking mental health support and enabling early intervention.

For more information about psychological first aid training call the Northern Light Acadia Hospital Behavioral Health Resource Center at 207.973.6100.

COMMUNITY BENEFIT

Total Community Investment by Category

Community Health	\$2,490,559
Improvement Services Health Professions Education	\$4,022,229
Research	\$1,996,124
Cash and In-Kind Contributions	\$371,121
Community Building Activities	\$956,392
Community Benefit Operations	\$3,248,526
Traditional Charity Care	\$12,624,507
Unpaid Cost of Public Programs:	
Medicaid	\$104,192,288
Medicare	\$205,297,947
Total Systemwide	\$335,199,693

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

To learn more, go to:

northernlighthealth.org/Community-Health-Needs-Assessment/Community-Benefit-Reports

Northern Light Health Member

Community Benefit

Acadia Hospital	\$15,155,781
AR Gould Hospital	\$21,201,384
Blue Hill Hospital	\$2,708,150
CA Dean Hospital	\$237,239
Eastern Maine Medical Center	\$210,812,481
Home Care & Hospice	\$822,464
Inland Hospital	\$13,996,973
Maine Coast Hospital	\$11,704,985
Mayo Hospital	\$1,435,371
Mercy Hospital	\$54,402,571
Northern Light Health Home Office	\$742,021

NORTHERN LIGHT HEALTH FOUNDATION

DONOR SPOTLIGHT

Carla and Danny Lafayette

With more than a 22 year history of supporting Northern Light Health, Danny and Carla Lafayette have been instrumental in helping us provide vital resources to those facing cancer, behavioral health disorders, Multiple Sclerosis, and more. In

Name of the organization	Mercy Hospital Northern Light Mercy Hospital	Employer identification number	01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

recognition of their long-standing philanthropic support of Northern Light Health, they were awarded with the inaugural True North Philanthropy Award.

John Marshall Webber

Northern Light Eastern Maine Medical Center is honored to be a beneficiary of the late John M. Webber's estate. This \$9,000,000 gift is the largest in the history of Eastern Maine Medical Center and will influence healthcare in the greater Bangor community for generations to come. An additional distribution of several million dollars is anticipated following the settlement of the estate. Steven Spetnagel, nephew of John Marshall Webber, visited Bangor in May to present a check to both Eastern Maine Medical Center and to St. Joseph Hospital.

Master Facility Plan Updates

Northern Light Health partners with donors to invest in rural healthcare.

CA Dean

The new, modern Northern Light CA Dean Hospital is scheduled to open February 27, 2024.

Acadia

The new Pediatric Day Treatment Center and renovated Mood and Memory Clinic opened in August 2023.

The new inpatient pediatric wing opened to patients on January 8, 2024.

Blue Hill

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

Northern Light Blue Hill Hospital welcomed the first new patients in its new hospital on August 23, 2023.

Maine Coast

Northern Light Maine Coast Hospital opened the Dixon Family Birthing Center in January 2023 and construction is nearing completion for renovation of modern, private rooms with better space for care teams and families.

Giving by Organization

Acadia Hospital	\$1,148,591.57
AR Gould Hospital	\$123,530.42
Blue Hill Hospital	\$1,645,744.38
CA Dean Hospital	\$534,958.20
Eastern Maine Medical Center and Children's Miracle Network Hospitals	\$11,028,894.19
Home Care & Hospice	\$324,360.95
Inland Hospital	\$199,560.96
Maine Coast Hospital	\$343,392.03
Mayo Hospital	\$137,497.20
Mercy Hospital	\$2,890,815.48
Northern Light Health	\$3,715.07
Northern Light Health Foundation	\$129,335.08
Sebasticook Valley Hospital	\$156,025.48
Total	18,666,421.01

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

To learn more about how donors are supporting care in our communities, visit northernlighthealth.org/foundation.

Northern Light Health

BY THE NUMBERS

1 Home care and hospice organization
 1 Integrated physician organization
 6 Emergency transport members
 8 Nursing homes
 6 Joint ventures
 10 Hospitals
 45 Primary care practices
 705 Available acute care beds
 10,557 Employees

404,553 Primary care visits
 27,574 Inpatient admissions
 4,543 Observation admissions
 3,001 Births
 7,116 Inpatient surgical cases
 29,159 Outpatient surgical cases
 418,794 Imaging procedures
 13,743 Inpatient emergency department visits
 100,733 Outpatient emergency department visits
 465 Cardiac surgeries
 2,453,722 Outpatient visits

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part III, Line 4d - Other Program Services Description

154,396 Telehealth visits

147,319 Home health & hospice patient visits

LifeFlight of Maine

94 Towns Responded to for Scene Calls

203 Total Scene Calls

362 Fixed Wing Air Transports

361 Traumatic Injury Transports

449 Ground Transports

1,454 Helicopter Air Transports

Northern Light Medical Transport

100 Towns / townships / unorganized territories in response area

3,331 Wheelchair van transports

19,398 Patients transported

Joint Ventures

County Physical Therapy, LLC

LifeFlight of Maine, LLC

LTC, LLC

MedComm, LLC

New Century Healthcare, LLC

Uniship Courier Services, LLC

Member Locations:

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part III, Line 4d - Other Program Services Description

Presque Isle

Northern Light AR Gould Hospital

Northern Light Home Care & Hospice

Northern Light Work Health

Greenville

Northern Light CA Dean Hospital

Dover Foxcroft

Northern Light Mayo Hospital

Northern Light Work Health

Bangor

Northern Light Acadia Hospital

Northern Light Eastern Maine Medical Center

Northern Light Health Foundation

Northern Light Home Care & Hospice

Northern Light Pharmacy

Northern Light Work Health

Northern Light Work Force

Brewer

Northern Light Eastern Maine Medical Center

Northern Light Health Home Office

Northern Light Pharmacy

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part III, Line 4d - Other Program Services Description

Pittsfield

Northern Light Seabasticook Valley Hospital

Northern Light Work Health

Waterville

Northern Light Home Care & Hospice

Northern Light Inland Hospital

Northern Light Work Health

Ellsworth

Northern Light Home Care & Hospice

Northern Light Maine Coast Hospital

Northern Light Work Health

Blue Hill

Northern Light Blue Hill Hospital

Portland

Northern Light Home Care & Hospice

Northern Light Laboratory

Northern Light Mercy Hospital

Northern Light Pharmacy

Northern Light Healthy Life EAP

Northern Light Work Health

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part III, Line 4d - Other Program Services Description

Our mission, vision, and values

Our Mission

We improve the health of the people and communities we serve.

Our Vision

Northern Light Health will be a leader in healthcare excellence.

Our Values

To accomplish its mission and vision, Northern Light Health will embrace these values:

Integrity

We commit to the highest standards of behavior and doing the correct thing for the right reasons.

Respect

We respect the dignity, worth, and rights of others.

Compassion

We deliver care focused on the needs of each person and guide families and individuals through the experience with kindness and professionalism.

Accountability

We take a responsible and disciplined approach to achieving our priorities and

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part III, Line 4d - Other Program Services Description

responding to an ever-changing environment.

Form 990, Part VI, Line 6 - Explanation of Classes of Members or Shareholder

Mercy Hospital d/b/a Northern Light Mercy Hospital (the "Corporation") is a Maine nonprofit corporation. Eastern Maine Healthcare Systems, d/b/a Northern Light Health ("NLH"), also a Maine nonprofit corporation, is the sole voting corporate member of the Corporation.

Form 990, Part VI, Line 7a - How Members or Shareholders Elect Governing Body

Each year at their annual meeting, the directors elect replacements for those directors whose terms are expiring. Election of directors is subject to ratification by the NLH Board of Directors.

Form 990, Part VI, Line 7b - Decisions of Governing Body Approval by Members or Shareholders

The NLH President has authority to appoint and remove the SVP, President of the Corporation. NLH also has joint and superior authority to approve, disapprove or initiate action with respect to the following matters:

- I. amendments to the corporations Articles of Incorporation or Bylaws;
- II. changes in legal form of organization of the Corporation;
- III. election of the Directors/Trustees of the Corporation;
- IV. action concerning the Corporation's operating budget and capital expenditures;
- V. the Corporation's acquisition of assets or assumption of liabilities of an unaffiliated third party;
- VI. transfer of 5% or more of the assets of the Corporation;
- VII. financing transactions concerning the Corporation;
- VIII. merger, consolidation, sale, lease, mortgage, pledge or other disposition of all or substantially all assets of the Corporation;
- IX. add or revise a health care service of the Corporation;

Name of the organization	Mercy Hospital Northern Light Mercy Hospital	Employer identification number	01-0211534
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Form 990, Part VI, Line 7b - Decisions of Governing Body Approval by Members or Shareholders (continued)

- X. discontinue or close a health care service of the Corporation;
- XI. action concerning the Corporation's role in the NLH Strategic Plan;
- XII. action concerning the Corporation's participation in key strategic affiliations with third parties not affiliated with NLH; and
- XIII. dissolution of the Corporation.

Form 990, Part VI, Line 11b - Form 990 Review Process

Form 990 is reviewed by the VP of Finance of Northern Light Mercy Hospital. It is also provided to each board member either electronically or in hard copy with an opportunity to ask questions prior to filing with the IRS.

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts

The organization requests updates of potential conflicts and relationships from the officers and Board members on an annual basis. The request requires disclosure of all business relationships, board memberships, and family relationships. A database is maintained that is compared to payroll records and the accounts payable vendor list to identify any potential conflicts of interest. Transactions are reviewed for reasonableness as an arm's length transaction.

The first agenda item for board meetings and board committee meetings is for members to declare any conflict of interest with upcoming agenda items or deliberations. At any point when consideration is being given to purchase/contract with a party in interest, the member with the conflict is either excused from the discussion and consideration process or abstains from voting on the matter.

All transactions identified with parties in interest are disclosed within the Form 990. All are deemed to be arm's length transactions.

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part VI, Line 15a - Compensation Review & Approval Process - CEO & Top Management

The President of Northern Light Mercy Hospital and the system Chief Executive Officer (CEO) who serves on the board ex-officio are employed by the system parent, Eastern Maine Healthcare Systems d/b/a Northern Light Health (NLH).

The NLH Executive Performance Management Committee (the Committee) is responsible to monitor and evaluate the performance of the NLH CEO. It shall have authority to set the compensation of the NLH CEO, and to review the recommendations of the NLH CEO with respect to the compensation of the Presidents of the Member Organizations and other key management personnel. The Committee is comprised entirely of independent Directors per NLH bylaws.

Process:

The Committee meets regularly throughout the fiscal year at the discretion of the Committee chair as well as on call of the Chair of the NLH board. In carrying out its duties pursuant to the Bylaws, the Committee:

- Assures that the executive compensation program is administered in a manner consistent with the NLH executive compensation philosophy.
- Reviews and updates the NLH executive compensation philosophy which serves as the foundation on which all current and future executive compensation decisions are made.
- Assures that value of compensation provided by NLH does not exceed the value of services provided by the executive.
- Reviews annual incentive compensation criteria for eligible executives, as defined by the NLH CEO.
- Reviews periodic compensation survey information and provides expert input to

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

Form 990, Part VI, Line 15a - Compensation Review & Approval Process - CEO & Top Management (continued)

proposed changes to the executive compensation program.

-Assures that a formal and timely performance management system is in place for executives.

-Reviews incentive compensation criteria scoring and associated pay schedules for officers and key employees.

-Provides any public statements regarding executive compensation practices at NLH deemed appropriate.

-Maintains minutes of the meeting and communicates actions to the NLH Board of Directors.

To accomplish this, the committee uses an external consultant with access to comparative data from independent sources and include national as well as regional data points. The NLH CEO reviews all direct report compensation actions with the committee. In addition, the NLH CEO ensures that any subsidiary policies and practices governing executive compensation are consistent with the committee's philosophy and practices statement.

Form 990, Part VI, Line 15b - Compensation Review & Approval Process - Officers & Key Employees

Compensation of other officers and key employees of the organization is established by the Human Resources department who utilize external market research to establish compensation ranges for specific positions.

On an annual basis, the compensation ranges are compared to the updated survey

Name of the organization Mercy Hospital Northern Light Mercy Hospital	Employer identification number 01-0211534
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Form 990, Part VI, Line 15a - Compensation Review & Approval Process - CEO & Top Management (continued)

information.

The hiring manager will determine where the employee will fall within the ranges established by the Human Resources department based on experience and credentials.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

Northern Light Mercy Hospital makes its governing documents, conflict of interest policy and financial statements available to the public upon request.

**Form 990, Part IX, Line 11g
Other Fees For Services**

	(A) <u>Total</u>	(B) <u>Program Services</u>	(C) <u>Management & General</u>	(D) <u>Fund- raising</u>
Banking	661,525.		661,525.	
Collection Fees	1,841,770.		1,841,770.	
Consulting	762,150.	720,703.	41,447.	
Lab Expense	6,916,380.	6,916,380.		
Laundry & Linen	722,824.	576,675.	146,149.	
Management Fees	958,637.	255,500.	703,137.	
NLH Support Services	15,146,659.	2,515,317.	12,631,342.	
Other Fees for Service	6,019,988.	5,061,550.	958,438.	
Record Management Fees	472,016.	472,016.		
Temporary Staffing	4,619,969.	4,619,969.		
Total	<u>\$38,121,918.</u>	<u>\$21,138,110.</u>	<u>\$16,983,808.</u>	<u>\$ 0.</u>

**Form 990, Part XI, Line 9
Other Changes in Net Assets Or Fund Balances**

Change in net assets held at NLH Foundation.....	\$ 200,777.
Change in net unrealized gains on investments.....	116,767.
Total	<u>\$ 317,544.</u>

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

Mercy Hospital
Northern Light Mercy Hospital

Employer identification number

01-0211534

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

2022

Open to Public Inspection

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
(1) ----- ----- -----					
(2) ----- ----- -----					
(3) ----- ----- -----					

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) Sec 512(b)(13) controlled entity?	
						Yes	No
(1) Eastern Maine Healthcare Systems (43 Whiting Hill Road Brewer, ME 04412 01-0527066	Supporting org for healthcare affiliates	ME	501 (c) (3)	12 Type II	N/A		X
(2) Acadia Hospital Corp (AHC) 43 Whiting Hill Road Brewer, ME 04412 01-0459837	Provide healthcare services	ME	501 (c) (3)	3	EMHS		X
(3) Acadia Healthcare, Inc. 43 Whiting Hill Road Brewer, ME 04412 22-3183888	Provide healthcare services	ME	501 (c) (3)	10	AHC		X
(4) Eastern Maine Medical Center PO Box 404, 489 State St Bangor, ME 04402-0404 01-0211501	Provide healthcare services	ME	501 (c) (3)	3	EMHS		X

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) ----- ----- -----												
(2) ----- ----- -----												
(3) ----- ----- -----												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Sec 512(b)(13) controlled entity?	
								Yes	No
(1) <u>Affiliated Healthcare Systems</u> <u>43 Whiting Hill Road</u> <u>Brewer, ME 04412</u> <u>01-0385322</u>	Holding co.	ME	EMHS	C	0.	0.			X
(2) <u>Affiliated Laboratory, Inc.</u> <u>43 Whiting Hill Road</u> <u>Brewer, ME 04412</u> <u>01-0381283</u>	Clinical lab	ME	AHS	C	0.	0.			X
(3) <u>Affiliated Healthcare Managemen</u> <u>43 Whiting Hill Road</u> <u>Brewer, ME 04412</u> <u>01-0349339</u>	Hlthcr mgmt	ME	AHS	C	0.	0.			X

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

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

	Yes	No
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?		
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)				

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) ----- ----- -----													
(2) ----- ----- -----													
(3) ----- ----- -----													
(4) ----- ----- -----													
(5) ----- ----- -----													
(6) ----- ----- -----													
(7) ----- ----- -----													
(8) ----- ----- -----													

Part VII **Supplemental Information**

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

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity?	
						Yes	No
Eastern Maine Medical Center Auxilia 43 Whiting Hill Road Brewer, ME 04412 01-0377901	Fund raising for exempt EMMC	ME	501 (c) (3)	10	EMMC		X
Northern Light Health Foundation 43 Whiting Hill Road, Ste 400 Brewer, ME 04412 22-2514163	Raise and manage funds for exempt orgs	ME	501 (c) (3)	12 Type II	EMHS		X
Rosscare 43 Whiting Hill Road Brewer, ME 04412 01-0391038	Provide services to elderly	ME	501 (c) (3)	PF	EMHS		X
Inland Hospital 200 Kennedy Memorial Drive Waterville, ME 04901 01-0217211	Provide healthcare services	ME	501 (c) (3)	3	EMHS		X
Lakewood 220 Kennedy Memorial Drive Waterville, ME 04901 01-0421234	Provide skilled and long-term nursing ca	ME	501 (c) (3)	3	Inland Hospital		X
C.A. Dean Memorial Hospital Pritham Avenue, PO Box 1129 Greenville, ME 04441-1129 04-3341666	Provide healthcare services	ME	501 (c) (3)	3	EMHS		X
The Blue Hill Memorial Hospital 57 Water Street Blue Hill, ME 04614-5231 01-0227195	Provide healthcare services	ME	501 (c) (3)	3	EMHS		X
Sebasticook Valley Health 447 North Main Street Pittsfield, ME 04967 01-0263628	Provide healthcare services	ME	501 (c) (3)	3	EMHS		X
The Aroostook Medical Center PO Box 151, 140 Academy Street Presque Isle, ME 04769-0151 01-0372148	Provide healthcare services	ME	501 (c) (3)	3	EMHS		X

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity?	
						Yes	No
VNA Home Health & Hospice 225 Gorham Rd, Ste 200 South Portland, ME 04106 01-0246804	Provide home health and hospice services	ME	501 (c) (3)	10	EMHS		X
Eastern Maine Healthcare Real Estate 43 Whiting Hill Road Brewer, ME 04412 01-0391036	Leases of real estate	ME	501 (c) (2)		EMHS		X
Northern Light Wellbeing LLC 43 Whiting Hill Road Brewer, ME 04412 47-4315094	Provide healthcare services	ME	501 (c) (3)	12 Type II	EMHS		X
Maine Coast Regional Health Faciliti 50 Union Street Ellsworth, ME 04605 01-0198331	Provide healthcare services	ME	501 (c) (3)	3	EMHS		X
Maine Coast Medical Realty 50 Union Street Ellsworth, ME 04605 01-0390918	Lease medical facilities	ME	501 (c) (3)	12 Type I	MCH		X
Beacon Health, LLC 43 Whiting Hill Road Brewer, ME 04412 45-2967056	Accountable care organization	ME	501 (c) (3)	12 Type II	EMHS		X
Beacon Rural Health, LLC 43 Whiting Hill Road Brewer, ME 04412 47-4483187	Accountable care organization	ME	501 (c) (3)	12 Type II	EMHS		X
Beacon Health ACO Holdings, LLC 43 Whiting Hill Road Brewer, ME 04412 36-4903784	Accountable care organization	ME	501 (c) (3)	12 Type II	EMHS		X
LTC, LLC 43 Whiting Hill Road Brewer, ME 04412 01-0211501	Operation of nursing homes	ME	501 (c) (3)	3	EMMC		X

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity?	
						Yes	No
Northern Light Medical Transport 43 Whiting Hill Rd Brewer, ME 04412 83-0911574	Ambulance	ME	501 (c) (3)	10	EMHS		X
M Drug, LLC 43 Whiting Hill Road Brewer, ME 04412 27-2175482	Pharmacy	ME	501 (c) (3)	3	EMMC		X
MRH Corp. dba Northern Light Mayo Ho 897 W Main Street Dover-Foxcroft, ME 04426 84-3689003	Provide healthcare services	ME	501 (c) (3)	3	EMHS		X

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
Beacon Direct 43 Whiting Hill Road Brewer, ME 04412 37-1864965	Healthcare Self Funded TPA	ME	EMHS	C	0.	0.			X

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

OMB No. 1545-0047

▶ **File a separate application for each return.**
 ▶ **Go to www.irs.gov/Form8868 for the latest information.**

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

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

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

Type or print <small>File by the due date for filing your return. See instructions.</small>	<small>Name of exempt organization or other filer, see instructions.</small> Mercy Hospital Northern Light Mercy Hospital	<small>Taxpayer identification number (TIN)</small> 01-0211534
	<small>Number, street, and room or suite number. If a P.O. box, see instructions.</small> 175 Fore River Parkway	
	<small>City, town or post office, state, and ZIP code. For a foreign address, see instructions.</small> Portland, ME 04102	

Enter the Return Code for the return that this application is for (file a separate application for each return) 01

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

• The books are in the care of ▶ John J. Doyle 43 Whiting Hill Road Brewer ME 04412-1005

Telephone No. ▶ 207-973-9081 Fax No. ▶ 207-973-7139

• If the organization does not have an office or place of business in the United States, check this box..... ▶

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ▶ . If it is for part of the group, check this box... ▶ and attach a list with the names and TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until 8/15, 2024, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year 20____ or
- ▶ tax year beginning 10/01, 2022, and ending 9/30, 2023.

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

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

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

BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8868** (Rev. 1-2022)



Mercy Hospital
Northern Light Mercy Hospital
01-0211534
Form 990, Part IV, line 20b



Eastern Maine Healthcare Systems d/b/a Northern Light Health

CONSOLIDATED FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION

September 30, 2023 and 2022
With Independent Auditor's Report



EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Financial Statements

September 30, 2023 and 2022

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditor's Report	1 - 2
Consolidated Financial Statements as of and for the Years Ended September 30, 2023 and 2022:	
Balance Sheets	3
Statements of Operations	4
Statements of Changes in Net Assets	5
Statements of Cash Flows	6 - 7
Notes to Financial Statements	8 - 57
Supplementary Information	
Consolidating Statement of Operations for the year ended September 30, 2023	58
Consolidating Statement of Operations for the year ended September 30, 2022	59



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Eastern Maine Healthcare Systems d/b/a Northern Light Health
Brewer, Maine

Opinion

We have audited the accompanying consolidated financial statements of Eastern Maine Healthcare Systems d/b/a Northern Light Health (Northern Light Health), which comprise the consolidated balance sheets as of September 30, 2023 and 2022, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements (collectively, the “financial statements”).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northern Light Health as of September 30, 2023, and 2022, and the results of their operations, changes in their net assets, and their cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

Basis for Opinion

We conducted our audits in accordance with U.S. generally accepted auditing standards (U.S. GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Northern Light Health and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material

Board of Directors
Eastern Maine Healthcare Systems d/b/a Northern Light Health
Brewer, Maine

if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Northern Light Health's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Northern Light Health's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary consolidating statements of operations are presented for purposes of additional analysis rather than to present the results of operations of the individual entities, and are not a required part of the 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 financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the consolidating information is fairly stated in all material respects in relation to the financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
December 18, 2023

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Consolidated Balance Sheets

September 30, 2023 and 2022

ASSETS

(Dollars in thousands)	<u>2023</u>	<u>2022</u>
Current assets		
Cash and cash equivalents	\$ 87,823	\$ 100,095
Assets whose use is limited or restricted	33,980	13,185
Patient and trade accounts receivable	282,970	253,230
Estimated third-party payor settlements	139,336	107,162
Other receivables	33,439	16,864
Inventory	24,802	28,641
Prepaid expenses and other current assets	<u>18,793</u>	<u>15,474</u>
Total current assets	<u>621,143</u>	<u>534,651</u>
Property and equipment – net	<u>884,088</u>	<u>829,522</u>
Noncurrent assets whose use is limited or restricted		
Internally designated by the Board of Directors		
Funded depreciation	175,674	200,185
Other designated funds	129,704	126,936
Self-insurance and other funds	56,731	47,559
With donor restrictions	75,881	78,332
Beneficial interest in perpetual trusts	<u>13,582</u>	<u>14,182</u>
Total noncurrent assets whose use is limited or restricted	<u>451,572</u>	<u>467,194</u>
Other assets		
Intangibles and other assets	28,693	28,188
Right-of-use – operating lease assets	<u>31,015</u>	<u>34,560</u>
Total other assets	<u>59,708</u>	<u>62,748</u>
Total assets	<u>\$ 2,016,511</u>	<u>\$ 1,894,115</u>

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

LIABILITIES AND NET ASSETS

(Dollars in thousands)	<u>2023</u>	<u>2022</u>
Current liabilities		
Accounts payable	\$ 218,453	\$ 125,630
Accrued expenses and other current liabilities	156,813	157,690
Estimated third-party payor settlements	24,429	31,508
Medicare advance payments	-	40,490
Line-of-credit borrowings	-	8,245
Current portion of long-term debt	23,772	19,634
Current portion of right-of-use operating lease liabilities	5,234	5,877
Current portion of accrual for self-insurance	<u>16,119</u>	<u>15,644</u>
Total current liabilities	<u>444,820</u>	<u>404,718</u>
Noncurrent liabilities		
Long-term debt – net of current portion	589,777	522,375
Right-of-use operating lease liabilities, net of current portion	27,400	30,456
Accrual for self-insurance and postretirement benefits	236,005	229,948
Other liabilities	<u>5,480</u>	<u>10,138</u>
Total noncurrent liabilities	<u>858,662</u>	<u>792,917</u>
Total liabilities	<u>1,303,482</u>	<u>1,197,635</u>
Net assets		
Without donor restrictions	623,566	603,966
With donor restrictions	<u>89,463</u>	<u>92,514</u>
Total net assets	<u>713,029</u>	<u>696,480</u>
Total liabilities and net assets	<u>\$2,016,511</u>	<u>\$1,894,115</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Consolidated Statements of Operations

Years Ended September 30, 2023 and 2022

(Dollars in thousands)	<u>2023</u>	<u>2022</u>
Revenue		
Net patient service revenue	\$ 1,913,995	\$ 1,795,810
Sales and contract revenue	9,481	11,441
Other revenue	235,678	196,171
Net assets with donor restrictions released from restrictions - operations	<u>3,430</u>	<u>2,684</u>
Total revenue	<u>2,162,584</u>	<u>2,006,106</u>
Expenses		
Compensation and employee benefits	1,123,083	1,136,355
Supplies and other	985,688	917,013
Depreciation and amortization	67,499	64,321
Interest	<u>22,415</u>	<u>20,134</u>
Total expenses	<u>2,198,685</u>	<u>2,137,823</u>
Loss from operations	<u>(36,101)</u>	<u>(131,717)</u>
Other gains (losses)		
Income tax expense	(7,454)	(475)
Joint venture income	2,154	6,245
Gain on sale of lab outreach business	30,700	-
Investment income (losses) and other, net	<u>8,693</u>	<u>(52,088)</u>
Total other gains (losses) – net	<u>34,093</u>	<u>(46,318)</u>
Deficiency of revenue and gains over expenses and losses	(2,008)	(178,035)
Other changes in net assets without donor restrictions		
Net assets with donor restrictions released from restrictions – capital acquisitions	8,382	7,675
Pension and postretirement plan – related adjustments	<u>13,226</u>	<u>31,335</u>
Increase (decrease) in net assets without donor restrictions	\$ <u>19,600</u>	\$ <u>(139,025)</u>

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

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Consolidated Statements of Changes in Net Assets

Years Ended September 30, 2023 and 2022

(Dollars in thousands)	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total Net Assets
Net assets – September 30, 2021	\$ <u>742,991</u>	\$ <u>97,182</u>	\$ <u>840,173</u>
Deficiency of revenue and gains over expenses and losses	(178,035)	-	(178,035)
Restricted contributions	-	18,139	18,139
Net assets released from restrictions			
Capital acquisitions	7,675	(7,675)	-
Operations	-	(2,684)	(2,684)
Restricted investment income and realized net gains	-	394	394
Change in net unrealized gains on investments	-	(12,842)	(12,842)
Pension and postretirement plan – related adjustments	<u>31,335</u>	<u>-</u>	<u>31,335</u>
Decrease in net assets	<u>(139,025)</u>	<u>(4,668)</u>	<u>(143,693)</u>
Net assets – September 30, 2022	<u>603,966</u>	<u>92,514</u>	<u>696,480</u>
Deficiency of revenue and gains over expenses and losses	(2,008)	-	(2,008)
Restricted contributions	-	5,585	5,585
Net assets released from restrictions			
Capital acquisitions	8,382	(8,382)	-
Operations	-	(3,430)	(3,430)
Restricted investment income and realized net gains	-	729	729
Change in net unrealized gains on investments	-	4,618	4,618
Other	-	(2,171)	(2,171)
Pension and postretirement plan – related adjustments	<u>13,226</u>	<u>-</u>	<u>13,226</u>
Increase (decrease) in net assets	<u>19,600</u>	<u>(3,051)</u>	<u>16,549</u>
Net assets – September 30, 2023	<u>\$ 623,566</u>	<u>\$ 89,463</u>	<u>\$ 713,029</u>

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

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Consolidated Statements of Cash Flows

Years Ended September 30, 2023 and 2022

(Dollars in thousands)	<u>2023</u>	<u>2022</u>
Cash flow from operating activities		
Increase (decrease) in net assets	\$ 16,549	\$ (143,693)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation, amortization, and accretion	66,680	63,725
Loss on sale of property and equipment	1,399	273
Net realized and unrealized (gains) losses on investments	(21,641)	64,253
Equity in earnings of joint venture	(2,154)	(6,245)
Pension and postretirement plan-related adjustments	(13,226)	(31,335)
Contributions with donor restrictions	(5,585)	(18,139)
Change in operating assets and liabilities		
Patient and trade accounts receivable	(29,740)	9,909
Other current assets	(16,056)	2,475
Other assets	1,285	164
Estimated third-party payor settlements	(39,252)	5,841
Medicare advance payments	(40,490)	(95,988)
Right-of-use – operating lease - net	(154)	(77)
Accounts payable, accrued expenses, and other liabilities	88,361	(18,780)
Accrual for self-insurance and postretirement benefits	<u>19,758</u>	<u>937</u>
Net cash provided (used) by operating activities	<u>25,734</u>	<u>(166,680)</u>
Cash flows from investing activities		
Purchases of property and equipment	(105,192)	(85,896)
Proceeds from sales of property and equipment	2,357	198
Proceeds from distributions of equity of joint ventures	20	2,884
Purchases of investments	(35,140)	(58,430)
Proceeds from sales of investments	63,463	173,472
Net changes in money market investments	<u>4,448</u>	<u>61,961</u>
Net cash (used) provided by investing activities	<u>(70,044)</u>	<u>94,189</u>
Cash flow from financing activities		
Proceeds from issuance of long-term debt	77,532	160
Repayment of long-term debt	(24,458)	(17,838)
Proceeds from lines-of-credit	54,994	-
(Decrease) increase in borrowing collateralized by patient accounts receivable	(604)	8,374
Repayment of lines-of-credit	(63,239)	-
Restricted contributions and investment income	6,314	18,534
Decrease in pledges receivable restricted for long-term purposes	<u>2,582</u>	<u>1,933</u>
Net cash provided by financing activities	<u>53,121</u>	<u>11,163</u>
Net increase (decrease) in cash and cash equivalents	8,811	(61,328)
Cash and cash equivalents and restricted cash – beginning of year	<u>107,098</u>	<u>168,426</u>
Cash and cash equivalents and restricted cash – end of year	\$ <u>115,909</u>	\$ <u>107,098</u>

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

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Consolidated Statements of Cash Flows (Concluded)

Years Ended September 30, 2023 and 2022

(Dollars in thousands)

	<u>2023</u>	<u>2022</u>
Composition of cash and cash equivalents and restricted cash – end of year		
Operating cash	\$ 87,823	\$ 100,095
Restricted cash – cash investments-bond funds, see Note 6	<u>28,086</u>	<u>7,003</u>
	<u>\$ 115,909</u>	<u>\$ 107,098</u>

Cash paid for interest approximated \$25,724 and \$22,983 for the years ended September 30, 2023 and 2022, respectively.

Noncash transactions

See Note 7 for disclosure of purchases of property and equipment included in accounts payable.

See Note 16 for disclosure of lease obligations entered into during the years ended September 30, 2023 and 2022.

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

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

1. Organization and Business

Eastern Maine Healthcare Systems (EMHS) d/b/a Northern Light Health is the parent company in an integrated healthcare delivery system. Northern Light Health controls its subsidiaries by means of stock ownership, corporate membership, or membership interests. Northern Light Health and its subsidiaries provide a broad range of healthcare and related services throughout Maine.

The primary function of Northern Light Health is to provide overall coordination and direction for the activities of the following corporations. Each affiliated organization is a tax-exempt charitable organization, unless otherwise noted.

Acadia Hospital, Corp. d/b/a Northern Light Acadia Hospital — Northern Light Acadia Hospital (Acadia) operates a 100-bed acute care psychiatric hospital located in Bangor, Maine and provides outpatient mental health services. Acadia also provides mental health services through the use of tele-psychiatry and in-person care to 43 Maine hospital emergency departments. Acadia is the sole corporate member of Acadia Healthcare, Inc. d/b/a Northern Light Acadia Healthcare. Northern Light Acadia Healthcare provides an alcohol and drug treatment program, adult and children's case management services, school-based services, employee assistance programs, mental health services integrated within primary care practices, and other mental health community services.

On November 9, 2021, Acadia received approval for a \$34,700,000 Certificate of Need (CON) from the State of Maine Department of Health and Human Services (DHHS) to construct a 50 single occupancy room facility and to renovate 50 existing rooms. On September 29, 2022, DHHS approved a revised capital cost of \$52,700,000. Construction is expected to be completed by January 2024.

Affiliated Healthcare Systems (AHS) — AHS is a taxable holding company. AHS has several subsidiaries and is a member in several joint venture limited liability companies.

The following are subsidiaries of AHS:

Affiliated Laboratory, Inc. d/b/a Northern Light Laboratory — Northern Light Laboratory provides medical laboratory services to various Northern Light Health companies, physicians, and many unaffiliated healthcare clients in Northern New England. Northern Light Laboratory operates its core medical laboratory in Bangor and has various drawing stations throughout the State. During 2023, Northern Light Laboratory sold its assets and operations to an unrelated party.

Affiliated Healthcare Management — Affiliated Healthcare Management provides support for AHS companies.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Beacon Health, LLC — Beacon Health, LLC contracted with payors to provide population health management services and care coordination. During 2023, these contracts were transferred or assigned to Northern Light Health. Beacon Health, LLC is the sole member of Beacon Rural Health, LLC. Beacon Rural Health, LLC provides population health management services in the Medicare Shared Savings Program. Beacon Health, LLC is the sole shareholder of Beacon Direct, Inc. Prior to January 2023, Beacon Direct, Inc. provided third party administrative, provider network management, and wellness services. Beacon Direct ceased providing services in January 2023 and is winding down operations through the end of 2023.

The Blue Hill Memorial Hospital d/b/a Northern Light Blue Hill Hospital — Northern Light Blue Hill Hospital (Blue Hill) operates a 10-critical access hospital located in Blue Hill, Maine and has family and specialty practices in Blue Hill, Castine, Deer Isle-Stonington, and Bucksport.

On October 6, 2021, Blue Hill received approval for a \$18,200,000 CON from the State of Maine DHHS to undertake a modernization project on the current campus in Blue Hill, Maine. On September 29, 2022, DHHS approved a revised capital cost of \$25,400,000. Construction for the project was completed in August 2023.

Charles A. Dean Memorial Hospital d/b/a Northern Light CA Dean Hospital — Northern Light CA Dean Hospital (CA Dean) operates a 25-bed critical access hospital and skilled care facility in Greenville, Maine and has family and specialty practices in Greenville, Monson, and Sangerville.

On October 6, 2021, CA Dean received approval for a \$13,600,000 CON from the State of Maine DHHS to undertake a project that would include replacement of the existing hospital. On September 29, 2022, DHHS approved a revised capital cost of \$22,400,000. Construction for the project is expected to be completed by February 2024.

Eastern Maine Medical Center d/b/a Northern Light Eastern Maine Medical Center — Northern Light Eastern Maine Medical Center (EMMC) operates a 411-bed acute care medical center located in Bangor, Maine, which provides a variety of inpatient and ambulatory healthcare services. EMMC is the sole corporate member of Eastern Maine Medical Center Auxiliary, which raises funds to benefit EMMC. EMMC is also the sole corporate member of M Drug, LLC d/b/a Northern Light Pharmacy and LTC, LLC.

M Drug, LLC d/b/a Northern Light Pharmacy — Northern Light Pharmacy operates five outpatient pharmacies in Bangor, Brewer, and Portland, Maine. Northern Light Pharmacy also operates a division that provides mail order and specialty medications.

LTC, LLC — EMMC is the sole member of LTC, LLC. LTC, LLC provides or supports a continuum of nonacute healthcare services. LTC, LLC is a 50% partner in nine separate partnerships, each of which owns and operates a nursing home, residential facility, or apartment dwelling. On a combined basis, the nursing homes offer 261 long-term care beds, 54 assisted living units, 65 specialized care beds, and a 111-bed Alzheimer unit to the residents of Central and Northern Maine.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

EMHS Foundation d/b/a Northern Light Health Foundation — Northern Light Health Foundation holds and manages funds without donor restrictions and funds with donor restrictions for the benefit of various Northern Light Health companies and other exempt organizations in Maine. The amount of assets held for the benefit of unrelated organizations is not material.

Inland Hospital d/b/a Northern Light Inland Hospital — Northern Light Inland Hospital (Inland) operates a 48-bed hospital located in Waterville, Maine. Inland is the sole member of Lakewood d/b/a Northern Light Continuing Care, Lakewood (Lakewood), which operates a 105-bed long-term care facility.

Maine Coast Regional Health Facilities d/b/a Northern Light Maine Coast Hospital — Northern Light Maine Coast Hospital (Maine Coast) operates a 64-bed acute care hospital located in Ellsworth, Maine.

Mercy Hospital d/b/a Northern Light Mercy Hospital — Northern Light Mercy Hospital (Mercy) operates a 200-bed acute care hospital located in Portland, Maine. Mercy provides inpatient and outpatient medical, surgical, obstetrical/gynecological care, and has family and specialty practices in the greater Portland area.

Northern Light Health — Northern Light Health includes the operation of the home office as well as a wholly-owned subsidiary, Northern Light Wellbeing, LLC. During 2023, Northern Light Health became the contracting entity for population health and care coordination services.

Northern Light Wellbeing, LLC — Northern Light Wellbeing LLC (formerly known as WorkHealth, LLC) provides occupational and workplace healthcare services. Northern Light Health is the sole member of Northern Light Wellbeing, LLC.

Northern Light Medical Transport — Northern Light Medical Transport provides emergency and non-emergency medical transportation services, including 911 response, in over 40 Maine communities.

Rosscare — Rosscare serves as a holding organization for distributions from the Sylvia Ross Trust, whose principal purpose is to fund rental subsidies to qualifying patients for living units at Sylvia Ross Assisted Living Home. The subsidies are distributed based upon applicant financial need contingent on the financial performance of the Trust.

Sebasticook Valley Health d/b/a Northern Light Sebasticook Valley Hospital — Northern Light Sebasticook Valley Hospital (SVH) operates a 25-bed critical access hospital located in Pittsfield, Maine and has family practices in Pittsfield, Newport, and Clinton, Maine, as well a specialty practice in Pittsfield, Maine.

The Aroostook Medical Center d/b/a Northern Light A.R. Gould Hospital — Northern Light A.R. Gould Hospital (A.R. Gould) operates a community hospital in Presque Isle, Maine with 89 licensed beds and a nursing home in Mars Hill, Maine with 72 beds. A.R. Gould has family and specialty practices in Caribou, Fort Fairfield, and Presque Isle, Maine.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

VNA Home Health & Hospice d/b/a Northern Light Home Care & Hospice — Northern Light Home Care & Hospice provides home health, inpatient and community-based hospice, telehealth, palliative care, and community health services statewide.

MRH Corp. d/b/a Northern Light Mayo Hospital — Northern Light Mayo Hospital is a 25-bed, critical access hospital located in Dover-Foxcroft, Maine and has family and specialty practices in Corinth, Dexter, Dover-Foxcroft, and Milo.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements (the financial statements) include the accounts of Northern Light Health and its controlled affiliates (hereinafter referred to as Northern Light Health). The financial statements include 100% of the assets and liabilities of majority-owned subsidiaries. Material intercompany accounts and transactions among the affiliated organizations have been eliminated in preparing the financial statements.

The financial statements have been prepared on the accrual basis of accounting and are presented in conformity with U.S. generally accepted accounting principles (U.S. GAAP) consistent with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 954, *Health Care Entities*, and other pronouncements applicable to healthcare organizations.

For purposes of display, transactions deemed by management to be ongoing and central to the provision of healthcare services are reported as revenue and expenses. Peripheral or incidental transactions are reported as other gains and losses.

Northern Light Health reports its financial position and activities according to the following net asset classifications:

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

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

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

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Significant estimates are made in the areas of patient accounts receivable, the valuation of investments and acquisitions, the determination of impairment of long-lived assets, self-insurance reserves, accrued retirement benefits, liabilities for contractual arrangements, and amounts receivable and payable under reimbursement regulations.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with a maturity of three months or less at the date of purchase, excluding amounts classified as assets whose use is limited or restricted.

Northern Light Health maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits. Northern Light Health has not experienced any losses on such accounts. Northern Light Health believes it is not exposed to any significant credit risk on cash.

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value based on quoted market prices. Equity investments that do not have readily determinable fair values can be carried at cost, less impairment, adjusted for observable events that provide evidence of fair value. Realized gains or losses on the sale of investments are determined by use of average cost. Realized and unrealized gains and losses on investments are reported as other gains (losses).

The recorded value of investments in hedge funds and limited partnerships is based on fair value as estimated by management using information provided by external investment managers. For investments in investment companies for which the fair value is not readily determinable, Northern Light Health utilized the Net Asset Value (NAV) reported by each of the underlying funds as a practical expedient to estimate the value of the investment for each of these funds. Management believes that these valuations are a reasonable estimate of fair value as of September 30, 2023 and 2022, but are subject to uncertainty and, therefore, may differ from the value that would have been used had a market for the investments existed. Such differences could be material. Certain of the hedge fund and limited partnership investments have restrictions on the withdrawal of the funds (see Note 14).

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

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Several Northern Light Health organizations own interests in joint venture entities. Ownership interests between 20% and 50% in a joint venture are accounted for by using the equity method of accounting and included in intangible and other assets. Using the equity method, the investment is increased by Northern Light Health's share of the entity's income and additional investments. The investment is decreased by Northern Light Health's share of the entity's losses and distributions.

Borrowing Collateralized by Patient Accounts Receivable

During 2022, Northern Light Health entered into a borrowing agreement collateralized by patient accounts receivable with a third party. Eligible patients can elect an arrangement with the third party or pay their balance in full. Northern Light Health receives payment for the account, less a discount rate of 9.75%. If the patient loan balance to the third party becomes 60 days past due or there is a change in patient status, as defined by the borrowing agreement, Northern Light Health is required to repay the outstanding balance. Northern Light Health had advances under this arrangement of \$7,770,000, and \$8,374,000 at September 30, 2023 and 2022, respectively, collateralized by patient accounts receivable. The asset is included in patient and trade accounts receivable, and the corresponding liability is included in accrued expenses and other current liabilities on the consolidated balance sheet.

Inventory

Northern Light Health records inventory at the lower of cost or market using the first-in, first-out, or average cost methods.

Assets Whose Use Is Limited or Restricted

Assets whose use is limited or restricted include Board designated assets, assets held in trust under debt agreements, self-insurance trust arrangements, and assets that are donor-restricted. Donor restricted trusts held by unrelated entities for the benefit of various Northern Light Health organizations are reported as beneficial interest in perpetual trusts. Board-designated assets may be used at the Board's discretion.

Property and Equipment

Property and equipment are initially recorded at cost or, in the case of gifts, at fair market value at the date of the gift. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the related assets.

Buildings and equipment under lease obligations are amortized using the straight-line method over the shorter period of the lease term or estimated useful life of the building or equipment. Such amortization is included in depreciation and amortization in the consolidated statements of operations.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

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

Leases

Northern Light Health combines and accounts for lease and nonlease components as a single lease component by the class of underlying asset. Right-of-use (ROU) assets and lease obligations are recognized on the balance sheet for all leases with a term greater than 12 months.

At the inception of a contract or arrangement, Northern Light Health determines if the contract or arrangement is, or contains, a lease based on the facts and circumstances. Lease classification then is determined as of the lease commencement date. Northern Light Health (i) determines the consideration of the contract, (ii) determines whether the lease is an operating or finance lease, and (iii) recognizes lease ROU assets and lease obligations.

The ROU assets represent Northern Light Health's right to use the underlying assets for the lease term and lease liabilities represent the obligation to make lease payments arising from the leases. ROU assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The discount rates related to Northern Light Health's lease liabilities are generally based on estimates of Northern Light Health's incremental borrowing rate, as implicit interest rate within the contract cannot usually be readily determined.

Lease expense on operating leases is recognized over the expected lease term on a straight-line basis, while expense on finance leases is recognized using the effective interest rate method. Lease expense on operating leases is reported as operating lease cost, whereas finance lease ROU assets are amortized to expense over the lease term and interest costs are expensed on the lease obligation throughout the lease term.

Impairment of Long-Lived Assets

Long-lived assets to be held and used are reviewed for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable. Long-lived assets to be disposed of are reported at the lower of the carrying amount or fair value, less cost to sell.

Asset Retirement Obligations

Northern Light Health recognizes the liability for conditional asset retirement obligations when a legal obligation to perform asset retirement activities exists. The fair value of the liability for the legal obligation associated with an asset retirement is recorded in the period in which the obligation is incurred. When the liability is initially recorded, the cost of the asset retirement is capitalized.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Substantially all of the asset retirement obligations recorded relate to estimated costs to remove asbestos that are contained within Northern Light Health's facilities. The adjustments to the carrying amount of the asset retirement obligation were approximately \$693,000 and \$26,000 in 2023 and 2022, respectively, and were primarily attributable to revised estimates and accretion expense.

Costs of Borrowing

Interest costs incurred on borrowed funds during the period of construction of capital assets, net of investment income on borrowed assets held by trustees, are capitalized as a component of the cost of acquiring those assets. The amount of interest that was capitalized totaled approximately \$3,584,000 and \$1,383,000 in 2023 and 2022, respectively. Deferred financing costs and original issue premiums and discounts are amortized over the period the related obligation is outstanding using the effective interest rate method.

Endowment

Northern Light Health has interpreted state law as requiring realized and unrealized gains of net assets with donor restrictions to be retained in a net asset with donor restriction classification until appropriated by the Board and expended. As a result of this interpretation, Northern Light Health classifies as net assets with donor restrictions (a) the original value of the gifts donated to the endowment when explicit donor stipulations requiring permanent maintenance of the historical fair value are present, and (b) the original value of the subsequent gifts to the endowment when explicit donor stipulations requiring permanent maintenance of the historical fair value are present. The remaining portion of the donor-restricted endowment fund composed of accumulated gains not required to be maintained in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure in a manner consistent with the donor's stipulations.

Northern Light Health administers a formal spending policy consistent with state law to appropriate the net appreciation of net assets with donor restrictions as is deemed prudent by the Board considering Northern Light Health's long-term and short-term needs, price-level trends, and general economic conditions. Under this policy, Northern Light Health maintains an annual spending level generally in the range of 3%-6%, with a target of 5%, of each endowment fund's moving five-year average market value. Endowment assets are invested in a manner to generate returns at least equal to the planned spending, plus inflation over the long term. To satisfy its long-term rate-of-return objectives, Northern Light Health targets a diversified asset allocation that places a greater emphasis on equity-based investments within prudent risk constraints. Realized and unrealized gains on net assets with donor restrictions, which are not specifically restricted by donors, are reported as a net asset with donor restrictions until appropriated by the Board and expended.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Patient Service Revenue and Accounts Receivable

Patient service revenue is reported at the amount that reflects the consideration to which Northern Light Health 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, Northern Light Health bills the patients and third-party payors several days after the services are performed or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by Northern Light Health. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. Generally, performance obligations satisfied over time relate to patients in hospitals receiving inpatient acute care services or patients receiving services in outpatient centers or in their homes. Northern Light Health measures the performance obligation from admission into the hospital or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to patients and customers in a retail setting (for example, pharmaceuticals) and Northern Light Health does not believe it is required to provide additional goods or services related to that sale.

Because all of its performance obligations relate to contracts with a duration of less than one year, Northern Light Health 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 patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

Healthcare entities are paid amounts negotiated with insurance companies or set by government programs which are typically less than established charges. Gross charges are what hospitals charge all patients prior to the application of contractual adjustments and implicit price concessions. Northern Light Health determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, and discounts provided to uninsured patients in accordance with Northern Light Health's policy.

Estimates of contractual adjustments and discounts are based on contractual agreements, discount policies, and historical experience. Implicit price concessions are based on historical collection experience. Patient and trade accounts receivable are stated at the amount management expects to collect from outstanding balances.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

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

The acute care medical hospitals are subject to the federal Prospective Payment System (PPS) for Medicare inpatient hospital services, inpatient skilled nursing facility services, inpatient rehabilitation services, and certain outpatient services. Under these prospective payment methodologies, Medicare pays a prospectively-determined per discharge, per day, per procedure, or per visit rate for non-physician services. These rates vary according to the applicable Diagnosis Related Group (DRG), Case-Mix Group, or Resource Utilization Group. Capital costs related to Medicare inpatient PPS services are paid based upon a standardized amount per discharge weighted by DRG. For most outpatient services, Medicare makes payments based upon the Ambulatory Payment Classification (APC) of each patient. Certain other outpatient services are reimbursed according to fee schedules.

Northern Light Maine Coast Hospital and Northern Light A.R. Gould Hospital participate in a Medicare Rural Community Hospital Demonstration Project and are, therefore, no longer subject to PPS payments for inpatient hospital services and associated capital costs for the duration of this program. During the first fiscal year of the program, Medicare paid for the full reasonable costs incurred for inpatient services provided. The payment for subsequent years is the lesser of reasonable costs or a target amount determined by increasing the first-year program costs by the inpatient prospective payment factor update for each succeeding year. Northern Light Inland Hospital became eligible for Medicare Dependent Hospital status effective October 1, 2019, which provides for payments of inpatient services at the greater of a federal rate or a blend of a hospital specific rate. Effective April 1, 2020, Northern Light Maine Coast Hospital became designated as a sole-community hospital, and as such, receives enhanced outpatient reimbursement and is eligible to participate in the 340B program. Several Northern Light Health hospitals receive Disproportionate Share Hospital payments. These payments are made to qualifying hospitals to cover the costs of providing care to low-income patients.

Providers of home health services to clients eligible for Medicare home health benefits are paid on a prospective basis, with no retrospective settlement. The prospective payment is based on the scoring attributed to the acuity level of the client at a rate determined by federal guidelines. Providers of hospice services to clients eligible for Medicare hospice benefits are paid on a fee-for-service basis, with no retrospective settlement, provided the Agency's aggregate annual Medicare reimbursement is below a predetermined aggregate capitated rate. Revenue is recognized as the services are performed based on the fixed rate amount.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

MaineCare

MaineCare is the State of Maine's Medicaid program. Inpatient reimbursement for acute care medical hospitals is based upon prospectively-determined rates that vary according to the applicable DRG. Capital and physician service costs related to MaineCare inpatient services are paid based on a percentage of allowable costs. For most outpatient services, MaineCare makes payment based upon the APC of the patient. Outpatient physician services are paid on a percentage of allowable costs and certain other outpatient services are reimbursed according to fee schedules. Acute hospitals receive interim payments for capital costs and physician services at a tentative rate with final settlement determined after completion of annual cost reports by the State. Nursing facilities are reimbursed partially on a prospectively-determined per diem rate for direct and routine services together with a fixed cost component that is subject to final settlement determined after completion of an annual cost report by the State.

As a specialty psychiatric hospital facility, Northern Light Acadia Hospital is reimbursed for Medicare inpatient services on a PPS basis. The prospective payment methodology for psychiatric facilities is based on a variable acuity per diem rate. Northern Light Acadia Hospital is reimbursed for MaineCare inpatient services based on a negotiated rate related to established charges. Outpatient services are reimbursed based on a percentage of cost.

Northern Light Blue Hill Hospital, Northern Light CA Dean Hospital, Northern Light Mayo Hospital, and Northern Light Sebecook Valley Hospital have been granted Critical Access Hospital (CAH) status by the Medicare and MaineCare Programs. Each CAH is reimbursed a percentage of allowable costs for inpatient and outpatient services provided to Medicare and MaineCare patients.

Northern Light Health has entered into various health management contracts. The contracts provide shared gains and losses based on performance against cost benchmarks with adjustments for quality goals.

The State assesses a healthcare provider tax on the revenues of hospitals and long-term care facilities. The amount of tax assessed to Northern Light Health organizations was approximately \$36,963,000 and \$37,720,000 in 2023 and 2022, respectively. This amount has been reported in supplies and other expenses in the accompanying consolidated statements of operations.

Laws and regulations concerning government programs, including Medicare and MaineCare, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various healthcare organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge Northern Light Health'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 Northern Light Health. In addition, the contracts Northern Light Health has with commercial payors also provide for retroactive audit and review of claims.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

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. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor, and Northern Light Health'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 (that is, new information becomes available), or as years become settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from changes in transaction price in 2023 and 2022 increased patient service revenue by \$34,384,000 and \$10,494,000, respectively.

The adjustments in 2023 include approximately \$33 million related to American Hospital Association's (AHA) suit against the Centers for Medicare and Medicaid Services (CMS) for reducing payment for 340B acquired drugs during 2018 through 2022. In June 2022, the U.S. Supreme Court ruled in favor of hospitals represented by AHA. In July 2023 CMS proposed a remedy to restore these payments, resulting in Northern Light Health being owed approximately \$33 million in additional reimbursement. This settlement has been recorded as a receivable and retroactive adjustment in the year ending September 30, 2023.

Implicit Price Concessions

Consistent with Northern Light Health's mission, care is provided to patients regardless of their ability to pay. Therefore, Northern Light Health 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 Northern Light Health expects to collect based on its collection history with those patients.

Patients who meet Northern Light Health'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. Northern Light Health estimates the costs associated with providing charity care by calculating a ratio of total cost to total gross charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for free care. The estimated cost of caring for charity care patients was \$12,625,000 and \$13,996,000 for 2023 and 2022, respectively. Funds received from gifts and grants to subsidize charity services provided were \$852,000 and \$582,000 for 2023 and 2022, respectively.

For uninsured patients who do not qualify under the Northern Light Health's sliding fee discount program, Northern Light Health bills the patient based on Northern Light Health's amount generally billed (AGB) for services provided. Patient balances are typically due within 30 days of billing; however, Northern Light Health has entered 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.

Northern Light Health has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors: payors, service lines, method of reimbursement, and timing of when revenue is recognized. Tables providing details of these factors are presented in Note 5.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Contributions and Gifts

Unconditional promises to give cash and other assets to Northern Light Health are reported at fair value at the date the promise is received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a risk-free rate applicable to the year in which the promise is received. Amortization of the discount is included in contribution revenue. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received and the conditions are met. Gifts are reported as an increase in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as additions to net assets without donor restrictions in the accompanying financial statements.

(Deficiency) Excess of Revenue and Gains Over Expenses and Losses

The consolidated statements of operations include (deficiency) excess of revenue and gains over expenses and losses. Changes in net assets without donor restrictions which are excluded from (deficiency) excess of revenue and gains over expenses and losses, consistent with industry practice, include transfers of assets to and from affiliates for other than goods and services, pension and postretirement plan adjustments, and contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purposes of acquiring such assets).

Other Revenue

Investment income on operating assets without donor restrictions is included in other revenue in the year earned. Grant revenue, meaningful use incentives, 340B drug discount program revenue, cafeteria sales, and gift shop revenue are also included in other revenue.

Income Taxes

Northern Light Health, its hospitals, and certain other affiliates have been determined by the Internal Revenue Service to be tax-exempt charitable organizations as described in Section 501(c)(3) or 501(c)(2) of the Internal Revenue Code (the Code) and, accordingly, are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for federal income taxes has been recorded in the accompanying financial statements for these organizations.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Tax-exempt charitable organizations could be required to record an obligation for income taxes as the result of a tax position they have historically taken on various tax exposure items, including unrelated business income or tax status. Under guidance issued by FASB, assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the “more-likely-than-not” threshold, based upon the technical merits of the position. Estimated interest and penalties, if applicable, related to uncertain tax positions are included as a component of income tax expense. Northern Light Health has evaluated its tax position taken or expected to be taken on income tax returns and concluded the impact to be not material.

Certain of Northern Light Health's affiliates are taxable entities. Deferred taxes related to these entities are based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect in the years the differences are expected to reverse. The deferred tax assets and liabilities for these entities are not material.

Accrual for Self-Insurance Liabilities

The liabilities for outstanding losses and loss-related expenses include estimates for professional and general liability losses incurred, but not reported, as well as losses pending settlement. Insurance recoveries are included in other assets and are not netted against the liability. Such liabilities are necessarily based on estimates, and while management believes that the amounts provided are adequate, the ultimate liability may be in excess of or less than the amounts provided. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The methods for making such estimates and the resulting liability are actuarially reviewed on an annual basis and any adjustments are reflected in operations during the related period.

Northern Light Health also estimates and records a liability for claims incurred, but not reported for employee health and dental benefits provided through self-insured plans. The liability is estimated based on prior claims experience and the expected time period from the date such claims are incurred to the date the related claims are submitted and paid.

Accounting for Defined Benefit Pension and Other Postretirement Plans

Northern Light Health recognizes the overfunded or underfunded status of its defined benefit and postretirement plans as an asset or liability in its consolidated balance sheets. Certain changes in the funded status of the plans are reported as a change in net assets without donor restrictions presented below the deficiency of revenue and gains over expenses and losses in the consolidated statements of operations and changes in net assets in the year in which the changes occur.

Service Agreements

On December 29, 2022, Northern Light Health entered a 10-year master services agreement commencing on March 26, 2023, with OptumInsight, Inc. (Optum) for the provision of certain operational functions including revenue cycle management, information systems, inpatient care management, analytics, enterprise project management, and supply chain. In addition, the agreement includes the provision of advisory services for operational improvement.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

As part of this agreement, approximately 1,400 employees were transferred to Optum on March 26, 2023. As a result of the change in employment, the Cash Balance Plan was subject to settlement costs as described in Note 12.

The agreement includes the transfer or assignment of certain contracts.

The agreement includes quarterly fees for the managed operations and advisory services. The fees for managed operations are subject to annual escalation clauses, inflation adjustments commencing in contract year three and volume adjustments for revenue cycle and inpatient care management commencing in contract year two. The following is a schedule by year of annual payments for managed services and advisory services at September 30, 2023 (dollars in thousands):

Years Ending September 30:

2024	\$	189,861
2025		211,513
2026		226,576
2027		235,604
2028		243,881
Thereafter		1,197,245

The agreement includes performance improvement payments related to revenue cycle, inpatient care management, improvement in certain clinical operations and supply chain. An estimated liability for performance improvements payments of \$7,271,141 was recorded at September 30, 2023. In addition, there are also a variety service level metrics that include penalties for certain key indicators. As of September 30, 2023, there were no service level metrics that had penalties associated with them.

Also on December 7, 2022, Northern Light Health, Affiliated Healthcare Systems, Affiliated Laboratory Inc. (ALI) and Quest Diagnostics LLC (Quest) entered into an asset purchase agreement whereby ALI agreed to sell substantially all of the assets attributable to its outreach business, including equipment and inventory, to Quest for a purchase price of \$30,700,000 (Business 1). In connection with the foregoing agreement, Quest also agreed to acquire from ALI an additional laboratory outreach business occurring at or attributable to certain primary care practice locations of Northern Light Eastern Maine Medical Center for a purchase price of \$1,540,000 (Business 2). The sale of Business 1 closed on March 20, 2023. The sale of Business 2 closed on August 14, 2023. Subject to certain carveouts, Northern Light Health and its Affiliates are subject to a seven year restrictive covenant agreement that prohibits engagement in competing outreach lab services.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

On December 7, 2022, Northern Light Health and Quest entered into a Laboratory Management Agreement (LMA) whereby Quest manages certain of Northern Light Health's hospital based laboratories and provides reference testing services. Pursuant to the LMA, Quest purchased certain reagent bearing equipment and supplies on January 1, 2023 at a purchase price of \$1,327,443. On the same date, certain Northern Light lab employees transitioned to Quest. The LMA consists of both fixed and variable fees. Subject to each party's respective rights to termination for cause, the initial term of the LMA is seven years. Thereafter, the LMA auto-renews for successive one year periods (each a Renewal Term), and either party may terminate during a Renewal Term (no cause required) by providing a 180 day notice.

COVID-19

In March 2020, the World Health Organization declared coronavirus disease (COVID-19) a global pandemic and the United States federal government declared COVID-19 a national emergency. Northern Light Health implemented an emergency response to ensure the safety of its patients, staff, and the community.

COVID-19 Relief Funding

The Coronavirus Aid, Relief, and Economic Security (CARES) Act established the Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural payments to support healthcare providers in the battle against the COVID-19 outbreak. The PRF and ARP are administered by the U.S. DHHS. Funds are to be used for qualifying expenses and to cover lost revenue due to COVID-19. The funds are recognized in other revenue when qualifying expenditures or lost revenues have been incurred.

The following table outlines the distributions received, period of availability, and revenue recognized:

Distribution Period	Distribution Amount	Revenue Recognized in 2022	Revenue Recognized in 2021	Revenue Recognized in 2020
Period 1	\$ 76,136,610	\$ -	\$ -	\$76,136,610
Period 2	13,288,278	-	10,786,354	2,501,924
Period 3	71,854,572	-	71,854,572	-
Period 4	29,246,090	29,246,090	-	-
Period 5	23,228,222	23,228,222	-	-
Total	\$213,753,772	\$52,474,312	\$82,640,926	\$78,638,534

There were no PRF or ARP funds received or recognized in 2023. Management believes the position taken is a reasonable interpretation of the rules currently available. PRF and ARP funds are subject to audit by the Health Resources and Services Administration. Any difference between amounts previously estimated and amounts subsequently determined to be recoverable or payable will be included in income in the year that such amounts become known.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

In 2020, Northern Light Health received approximately \$178,051,000 in funds from the Medicare Accelerated and Advance Payment Program, which represent working capital financing which will be repaid through the provision of future services to the Medicare program. In 2022, CMS offered an extended repayment plan of the remaining balance. Northern Light Health agreed to various repayment plans, beginning in November 2022 and ending September 2023. The funds have been fully repaid as of September 30, 2023.

The CARES Act also provided for an extension of time to remit payroll taxes for the period beginning March 27, 2020 and ending before January 1, 2021. Repayment is allowed over a two-year period with half due by December 31, 2021 and the remainder due by December 31, 2022. Deferred payroll taxes included in accrued expenses and other current liabilities totaled \$15,800,000 at September 30, 2022. There were no deferred payroll taxes included in accrued expenses and other current liabilities at September 30, 2023.

The Federal Emergency Management Agency (FEMA) provided reimbursement of COVID-19 related expenses totaling \$46,849,000 and \$725,000 for 2023 and 2022, respectively.

COVID-19 Continuing Operational Impacts

Northern Light Health's financial and operational performances have been significantly influenced by the ongoing COVID-19 pandemic and a pervasive shortage in clinical staff and rising operating costs. Since its outbreak in March 2020, COVID-19 has attributed to unpredictable patient volumes and severity, evolving virus variants, and significant pressures on staffing and wage rates. Northern Light Health continues to face operational challenges from a nationwide shortage of nurses, clinical staff, and support personnel. This labor scarcity has increased the reliance on higher-cost temporary labor and premium wages to maintain operational efficiency.

Additionally, Northern Light Health has experienced unprecedented inflationary pressures, with the inflation rate reaching heights unseen in over four decades. Given the reimbursement landscape, payers may not adjust reimbursement rates to offset the inflationary and staffing impacts adequately. Northern Light Health has employed measures including negotiating increased rates from commercial insurers, obtaining COVID-19 relief funding, and implementing productivity enhancement and cost reduction initiatives to mitigate these challenges. The extent and duration of the COVID-19 disruption on operations remain uncertain.

Recent Accounting Standards

From time to time, new accounting guidance is issued by the FASB or other standard setting bodies that is adopted by us as of the effective date or, in some cases where early adoption is permitted, in advance of the effective date. We have assessed the recently issued guidance that is not yet effective and, unless otherwise indicated above, we believe the new guidance will not have a material impact on our results of operations, cash flows, or financial position.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Subsequent Events

For purposes of the preparation of these financial statements, Northern Light Health has considered transactions or events occurring through December 18, 2023, which was the date that the financial statements were issued.

3. Liquidity and Availability of Financial Assets

As of September 30, 2023 and 2022, Northern Light Health has a working average days (based on normal expenditures) cash (from all sources) on hand of 67.34 and 75.20, respectively.

Financial assets available for general expenditures within one year of the balance sheet date consist of the following (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 87,823	\$ 100,095
Accounts receivable	282,970	253,230
Estimated third-party payor settlements	139,336	107,162
Other receivables	<u>33,439</u>	<u>16,864</u>
	<u>\$ 543,568</u>	<u>\$ 477,351</u>

Northern Light Health has other assets whose use is limited to use for donor-restricted purposes, debt service, and for the professional and general liability insurance program. Additionally, certain other Board-designated assets are designed for future capital expenditures and an operating reserve. These assets whose use is limited, which are more fully described in Note 6 are not for general expenditure within the next year and are not reflected in the amounts above. However, the Board-designated amounts could be made available, if necessary.

Northern Light Health maintains lines of credit as discussed in more detail in Note 9. As of September 30, 2023 and 2022, \$150 million and \$142 million, respectively, remained available on the lines of credit. Management regularly monitors liquidity required to meet its operating needs and other contractual commitments.

4. Community Benefit

Northern Light Health provides a wide range of free or reduced cost programs and services to those in need of care, injured, or disabled. In addition, every Northern Light Health member organization plays a vital community role working in partnership with others to assess community health needs, advance health equity, and improve population health through prevention and intervention efforts.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Community benefits are provided via a broad range of community health improvement efforts. They are programs, services, and investments designed to improve the health of our communities and increase access to healthcare in response to identified community health needs. These benefits are designed to improve access to healthcare services, enhance the health of the community, advance medical or healthcare knowledge, and relieve or reduce the burden of government to improve health.

Community benefit activities are integral to the mission of Northern Light Health and are the basis of tax exemption. Northern Light Health provides community benefit in the form of community health improvement services, health professions education, research, cash and in-kind donations, community building activities, and low or no cost healthcare services to uninsured patients. Northern Light Health and its member organizations strive to improve population health and promote wellness for all who live, play, learn, and work in Northern Light Health communities through community benefit contributions.

Northern Light Health's community health improvement services focus on ways to improve the health of communities outside the traditional walls of facilities and services. Community health improvement services respond to health needs in the communities it serves by providing community health education in the form of presentations, lectures, programs, and wellness initiatives such as nutritional improvement, physical activity, and substance use prevention provided to schools, community groups, support groups, and others. Community-based clinics provide health screenings in the community. Healthcare support services focus on increasing access and quality of healthcare, especially to those living in poverty and other vulnerable populations. Social and environmental improvement activities address social, economic, and physical environment such as improving availability of healthy food options, violence prevention, and economic development activities.

5. Net Patient Service Revenue

Net patient service revenue for the years ended September 30, 2023 and 2022 consisted of the following (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Gross patient service revenue		
Inpatient services	\$ 1,759,733	\$ 1,640,349
Outpatient services	<u>3,305,093</u>	<u>3,006,963</u>
Gross patient service revenue	<u>5,064,826</u>	<u>4,647,312</u>
Less contractual allowances and implicit price concessions	(3,118,427)	(2,815,663)
Less charity care	<u>(32,404)</u>	<u>(35,839)</u>
	<u>(3,150,831)</u>	<u>(2,851,502)</u>
Net patient service revenue	<u>\$ 1,913,995</u>	<u>\$ 1,795,810</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

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

The composition of patient care service revenue based on payor, service line, and method of reimbursement for the years ended September 30, 2023 and 2022 is as follows:

	<u>September 30, 2023</u>			
	<u>Inpatient</u>	<u>Outpatient</u>	<u>Home Care And Hospice</u>	<u>Total</u>
Payor:				
Medicare	\$ 120,523	\$ 177,905	\$ 27,425	\$ 325,853
MaineCare	96,355	176,877	2,083	275,315
Managed care	140,409	211,969	6,329	358,707
Commercial insurers	217,700	648,867	3,574	870,141
Uninsured	37,017	33,655	-	70,672
Other	<u>6,343</u>	<u>6,797</u>	<u>167</u>	<u>13,307</u>
Total	<u>\$ 618,347</u>	<u>\$ 1,256,070</u>	<u>\$ 39,578</u>	<u>\$ 1,913,995</u>

	<u>September 30, 2022</u>			
	<u>Inpatient</u>	<u>Outpatient</u>	<u>Home Care And Hospice</u>	<u>Total</u>
Payor:				
Medicare	\$ 112,300	\$ 186,741	\$ 27,960	\$ 327,001
MaineCare	91,739	175,845	2,007	269,591
Managed care	109,641	183,628	9,173	302,442
Commercial insurers	223,466	606,299	4,520	834,285
Uninsured	23,540	29,195	-	52,735
Other	<u>5,834</u>	<u>3,754</u>	<u>168</u>	<u>9,756</u>
Total	<u>\$ 566,520</u>	<u>\$ 1,185,462</u>	<u>\$ 43,828</u>	<u>\$ 1,795,810</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Method of reimbursement:		
Fee for service	\$ 1,289,649	\$ 1,203,238
Cost reimbursed	122,157	119,353
Capitation and risk sharing	16,476	16,434
Discounted charges and other	<u>485,713</u>	<u>456,785</u>
	<u>\$ 1,913,995</u>	<u>\$ 1,795,810</u>

6. Investments and Assets Whose Use Is Limited or Restricted

At September 30, 2023 and 2022, investments and assets whose use is limited or restricted consisted of the following (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Assets whose use is limited or restricted – current:		
Cash investments	\$ 5,776	\$ 6,064
Cash investments - bond funds	28,086	7,003
Interest in trusts and charitable gift annuities	<u>118</u>	<u>118</u>
Total assets whose use is limited or restricted - current	<u>\$ 33,980</u>	<u>\$ 13,185</u>
Assets whose use is limited or restricted - noncurrent:		
Cash investments	\$ 39,365	\$ 34,890
Marketable equity securities	5,621	5,013
Mutual funds	62,099	53,807
Institutional funds, common/collective trust, and hedge funds	315,818	314,121
Fixed-income securities	3,656	29,633
Pledges and other receivables	10,053	14,298
Interest in trust and charitable gift annuities	1,378	1,250
Beneficial interest in perpetual trusts	<u>13,582</u>	<u>14,182</u>
Total assets whose use is limited or restricted - noncurrent	<u>\$ 451,572</u>	<u>\$ 467,194</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

For the years ended September 30, 2023 and 2022, investment income (losses) and other, net were reported as follows (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Consolidated statements of operations		
Other revenue	\$ 2,694	\$ 2,237
Investment income (losses) and other, net of fees	8,693	(52,088)
Consolidated statements of changes in net assets		
Net assets with donor restrictions – restricted investment income and realized and unrealized investment gains	729	394
Net assets with donor restrictions – unrealized investment gains (losses)	<u>4,618</u>	<u>(12,842)</u>
Total	\$ <u><u>16,734</u></u>	\$ <u><u>(62,299)</u></u>

Pledges Receivable

Pledges receivable are reported at the net present value of future unconditional promises to give from donors. At September 30, 2023 and 2022, the future amounts receivable for unconditional promises to give are as follows (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Due within one year	\$ 563	\$ 4,560
Due within two to five years	5,473	4,016
Thereafter	<u>506</u>	<u>400</u>
Total receivable	6,542	8,976
Less allowance for uncollectible pledges and discounts	<u>(877)</u>	<u>(728)</u>
Total net receivable	\$ <u><u>5,665</u></u>	\$ <u><u>8,248</u></u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

7. Property and Equipment

At September 30, 2023 and 2022, property and equipment consisted of the following (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Land	\$ 20,373	\$ 20,076
Building and land improvements	638,906	620,276
Equipment, furniture, and fixtures	1,044,257	998,042
Leasehold improvements	<u>24,263</u>	<u>23,863</u>
	1,727,799	1,662,257
Less accumulated depreciation and amortization	<u>(943,667)</u>	<u>(891,786)</u>
	784,132	770,471
Construction in progress	<u>99,956</u>	<u>59,051</u>
Net property and equipment	<u>\$ 884,088</u>	<u>\$ 829,522</u>

Northern Light Health and its affiliates have commitments for facility expansions and other projects totaling approximately \$42,294,000 and \$86,870,000 at September 30, 2023 and 2022, respectively.

Construction in progress at September 30, 2023 includes projects for Acadia Hospital and CA Dean Hospital. The total cost of these projects is expected to be approximately \$75,100,000. At September 30, 2023, there was approximately \$49,800,000 in construction in progress, and \$16,600,000 in construction commitments. The projects are expected to be completed in 2024.

Also included in construction in progress are amounts related to the Enterprise Resource Planning (ERP) transformation and the Electronic Health Record (EHR) implementation. The ERP is a tool to manage core business, financial, supply chain, and human resource processes across a single, integrated system. The EHR integrates each patient's medical history, test results, clinicians' notes, plan of care, and revenue cycle in a single record accessible throughout Northern Light Health. The total costs of the projects are expected to be approximately \$134,000,000. At September 30, 2023, there was approximately \$26,000,000 in construction in progress, and \$950,000 in construction commitments.

At September 30, 2023 and 2022, \$12,913,000 and \$11,595,000, respectively, of property and equipment purchases and costs related to construction projects were included in accounts payable.

Property and equipment include a building and equipment recorded under right-of-use lease assets - finance leases totaling \$31,123,000 and \$12,211,000 with related accumulated amortization of \$6,963,000 and \$2,441,000 at September 30, 2023 and 2022, respectively.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

8. Intangibles and Other Assets

At September 30, 2023 and 2022, intangibles and other assets consisted of the following (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Investments in joint ventures:		
LTC, LLC interests	\$ 3,058	\$ 3,169
County Physical Therapy, LLC	550	535
LifeFlight of Maine, LLC	12,565	10,276
MedComm, LLC	55	72
Other joint ventures	<u>477</u>	<u>519</u>
Total investments in joint ventures	16,705	14,571
Intangibles resulting from acquisition of Mercy, Maine		
Coast and Mayo	3,477	3,477
Other receivables	2,310	2,388
Deferred tax assets	367	1,977
Customer lists	964	1,171
Other	<u>4,870</u>	<u>4,604</u>
	<u>\$ 28,693</u>	<u>\$ 28,188</u>

Northern Light Health's share of earnings in its joint ventures totaled \$2,154,000 and \$6,245,000 for the years ended September 30, 2023 and 2022, respectively. Distributions from these joint ventures totaled \$20,000 and \$2,884,000 for the years ended September 30, 2023 and 2022, respectively.

During the ordinary course of business, Northern Light Health may provide services to various joint ventures. This income is included in sales and contract revenue and was not material in 2023 and 2022.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Northern Light Health entities own 50% interests in several joint venture entities (except for a 33.3% interest in Penobscot Logistics Solutions, LLC). The Penobscot Logistics Solutions, LLC building was sold in April 2022 and the partnership was dissolved in 2023. Selected financial information derived from the unaudited financial statements of each joint venture entity at September 30, 2023 and 2022 is as follows (dollars in thousands):

2023				
<u>Name of Joint Venture</u>	<u>Owner</u>	<u>Total Assets</u>	<u>Long-Term Debt</u>	<u>Net Equity</u>
Colonial Acres	LTC, LLC	\$ 2,336	\$ -	\$ 1,908
Dexter Health Care	LTC, LLC	1,021	-	112
Katahdin Health Care	LTC, LLC	1,507	21	747
Ross Manor Associates	LTC, LLC	10,850	7,568	613
Stillwater Health Care	LTC, LLC	2,757	975	1,288
Workman Terrace	LTC, LLC	1,821	-	1,819
Park East Villa	LTC, LLC	1,630	1,462	57
Hibbard Health Care	LTC, LLC	<u>5,657</u>	<u>4,675</u>	<u>(427)</u>
LTC, LLC		27,579	14,701	6,117
County Physical Therapy, LLC	AR Gould	3,654	137	1,100
LifeFlight of Maine, LLC	NLH	41,715	5,770	25,130
MedComm, LLC	AHS	291	-	110
Uniship Courier Services, LLC	AHS	<u>1,775</u>	<u>555</u>	<u>953</u>
Total		<u>\$ 75,014</u>	<u>\$ 21,163</u>	<u>\$ 33,410</u>
2022				
<u>Name of Joint Venture</u>	<u>Owner</u>	<u>Total Assets</u>	<u>Long-Term Debt</u>	<u>Net Equity</u>
Colonial Acres	LTC, LLC	\$ 2,414	\$ -	\$ 1,678
Dexter Health Care	LTC, LLC	931	-	337
Katahdin Health Care	LTC, LLC	1,359	177	690
Ross Manor Associates	LTC, LLC	13,242	7,844	2,589
Stillwater Health Care	LTC, LLC	2,934	1,021	1,220
Workman Terrace	LTC, LLC	1,817	-	117
Park East Villa	LTC, LLC	1,615	1,480	29
Hibbard Health Care	LTC, LLC	<u>6,300</u>	<u>4,822</u>	<u>(322)</u>
LTC, LLC		30,612	15,344	6,338
County Physical Therapy, LLC	AR Gould	1,533	464	1,069
LifeFlight of Maine, LLC	NLH	36,371	6,805	20,552
MedComm, LLC	AHS	594	195	144
Penobscot Logistics Solutions, LLC	AHS	59	-	59
Uniship Courier Services, LLC	AHS	<u>1,965</u>	<u>711</u>	<u>1,000</u>
Total		<u>\$ 71,134</u>	<u>\$ 23,519</u>	<u>\$ 29,162</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

9. Debt

Long-term debt at September 30, 2023 and 2022 consisted of the following (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Bonds Payable:		
Acadia Series 2022C Bonds (due in varying amounts each July through the year 2052 with fixed-interest rates ranging from 5.00% to 5.50% per annum)	\$ 37,627	\$ -
Blue Hill Series 2022C Bonds (due in varying amounts each July through the year 2052 with fixed-interest rates ranging from 5.00% to 5.50% per annum)	18,642	-
CA Dean Series 2022C Bonds (due in varying amounts each July through the year 2052 with fixed-interest rates ranging from 5.00% to 5.50% per annum)	14,407	-
Maine Coast Series 2022C Bonds (due in varying amounts each July through the year 2052 with fixed-interest rates ranging from 5.00% to 5.50% per annum)	2,355	-
Mercy Series 2021A Bonds (due in varying amounts each July through the year 2050 with fixed-interest rates ranging from 2.50% to 5.00% per annum)	71,749	74,604
EMMC Series 2021B Bonds (due in varying amounts each July through the year 2043 with fixed-interest rate ranging from 0.36% to 3.12% per annum)	135,018	139,718
EMMC 2019C Series Bonds (due in varying amounts each July through the year 2040 with a fixed-interest rate of 5.00% per annum)	27,946	29,891
Inland/Lakewood Series 2017B Bonds (due in varying amounts each July through the year 2037 with fixed-interest rates ranging from 3.50% to 5.00% per annum)	5,309	5,594
EMHS Series 2016A Bonds (due in varying amounts each July beginning 2037 through the year 2046 with a fixed-interest rate of 5.00% per annum)	170,825	170,825
EMHS Series 2016B Bonds (due in varying amounts each July through the year 2036 with fixed-interest rates ranging from 3.711% to 5.022% per annum)	68,255	71,355
Inland Series 2015A Bonds (due in varying amounts each July through the year 2030 with fixed-interest rates ranging from 3.00% to 5.00% per annum)	442	507
Mercy Series 2015 Bonds - Series 2015 Taxable Note (due in varying amounts monthly through the year 2024 with a fixed-interest rate of 4.53% per annum)	527	1,546
SVH Finance Authority of Maine 2013 Revenue Obligation Bonds (due in varying amounts each January through the year 2029 with fixed interest rates ranging from 2.87% to 3.41% per annum)	<u>3,687</u>	<u>4,201</u>
	556,789	498,241
Net unamortized original issue premium	<u>33,509</u>	<u>32,249</u>
Bonds payable – net	590,298	530,490
Other long-term debt		
Installment loans and other	4,297	6,240
Lease obligations-finance leases	<u>24,814</u>	<u>10,127</u>
Total long-term debt, before unamortized debt issuance cost	619,409	546,857
Less unamortized debt issuance costs	<u>(5,860)</u>	<u>(4,848)</u>
Total long-term debt	<u>613,549</u>	<u>542,009</u>
Current portion		
Current portion of long-term debt	(17,827)	(17,537)
Current portion of lease obligation-finance leases	<u>(5,945)</u>	<u>(2,097)</u>
Less current portion	<u>(23,772)</u>	<u>(19,634)</u>
Long-term debt – net of current portion	\$ <u>589,777</u>	\$ <u>522,375</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

EMHS Obligated Group

In conjunction with the issuance of the 2016 bonds, the majority of the not-for-profit healthcare providers in Northern Light Health became part of the EMHS Obligated Group. The purpose of the obligated group is to simplify the debt structure of Northern Light Health and to allow Northern Light Health to make capital available to members with lower costs of capital and less restrictive debt covenants. The members of the EMHS Obligated Group are jointly liable for the debt service on the obligations issued under the Master Trust Indenture for the EMHS Obligated Group. On September 30, 2023 and 2022, the EMHS Obligated Group had obligations totaling approximately \$556,789,000 and \$498,241,000, respectively, which are covered under the Master Trust Indenture.

Debt obligations issued under the Master Trust Indenture require that the EMHS Obligated Group on a consolidated basis satisfy certain measures of financial performance (including a minimum debt service coverage ratio) as long as the obligations are outstanding. The EMHS Obligated Group complied with such covenants at September 30, 2023. The EMHS Obligated Group debt service coverage ratio at September 30, 2022 is below the required level. In accordance with the Master Trust Indenture, a consultant has been retained to provide recommendations to achieve compliance with the ratio.

Bonds Payable

Series 2022C Bonds — On November 15, 2022, Acadia Hospital issued \$40,765,000 in notes payable to secure tax-exempt revenue bonds issued by the Maine Health and Higher Educational Facilities Authority (the Authority) for the purpose of financing new construction. The Series 2022C bonds are collateralized under the 2022 EMHS Obligated Group Supplemental Trust Indenture by a security interest in its gross receipts and a mortgage of certain EMHS Obligated Group facilities.

Series 2022C Bonds — On November 15, 2022, Blue Hill Hospital issued \$20,200,000 in notes payable to secure tax-exempt revenue bonds issued by the Authority for the purpose of financing new construction. The Series 2022C bonds are collateralized under the 2022 EMHS Obligated Group Supplemental Trust Indenture by a security interest in its gross receipts and a mortgage of certain EMHS Obligated Group facilities.

Series 2022C Bonds — On November 15, 2022, CA Dean Hospital issued \$15,610,000 in notes payable to secure tax-exempt revenue bonds issued by the Authority for the purpose of financing new construction. The Series 2022C bonds are collateralized under the 2022 EMHS Obligated Group Supplemental Trust Indenture by a security interest in its gross receipts and a mortgage of certain EMHS Obligated Group facilities.

Series 2022C Bonds — On November 15, 2022, Maine Coast Hospital issued \$2,555,000 in notes payable to secure tax-exempt revenue bonds issued by the Authority for the purpose of financing new construction. The Series 2022C bonds are collateralized under the 2022 EMHS Obligated Group Supplemental Trust Indenture by a security interest in its gross receipts and a mortgage of certain EMHS Obligated Group facilities.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Series 2021A Bonds — On May 1, 2021, Mercy Hospital issued \$83,370,000 in notes payable to secure tax-exempt revenue bonds issued by the Authority for the purpose of refunding the Series 2020 bonds and Series 2015 note. The Series 2021A bonds are collateralized by a security interest in its gross receipts and a mortgage lien.

Series 2021B Bonds — On May 1, 2021, EMMC issued \$156,870,000 in notes payable to secure taxable revenue bonds issued by the Authority for the purpose of refunding the Series 2013 bonds. The 2021B bonds are collateralized by a security interest in its gross receipts and a mortgage lien.

Series 2019C Bonds — On November 1, 2019, Eastern Maine Medical Center issued \$42,350,000 in notes payable to secure tax-exempt revenue bonds issued by the Authority for the purpose of refunding the Series 2010A bonds. The Series 2019C bonds are collateralized by a security interest in its gross receipts.

Series 2017B Bonds — On December 1, 2017, Inland Hospital and Lakewood issued \$7,310,000 in notes payable to secure tax-exempt revenue bonds issued by the Authority for the purpose of refunding the Series 2007B bonds. The Series 2017B bonds are collateralized by substantially all of the real property of Inland Hospital and Lakewood and a security interest in their gross receipts.

Series 2016A Bonds and Series 2016B Taxable Bonds – On July 13, 2016, the EMHS Obligated Group issued \$170,825,000 in notes payable to secure tax-exempt Series 2016A revenue bonds issued by the Authority and \$79,450,000 in a Series 2016B Taxable Note pursuant to the Master Trust Indenture with U.S. Bank National Association as trustee. The 2016A bonds were issued for the second phase of the EMMC expansion and modernization project, expansion and modernization of an ambulatory care facility at CA Dean, and refunding of A.R. Gould Series 2012A bonds, A.R. Gould and Blue Hill Series 2010A bonds, and Maine Coast Series 2008D, 2011C, and 2013A bonds. The 2016B bonds were issued for the purpose of refinancing certain line of credit borrowings and term loan indebtedness of Northern Light Health and other members of the Obligated Group, paying swap termination fees and financing certain transition costs related to members of the Obligated Group. The Series 2016A and 2016B bonds are collateralized by a security interest in the gross receipts of all members of the Obligated Group, as well as mortgages and/or security interests in certain real and/or personal property of certain members of the Obligated Group.

The obligations under the 2016A and 2016B debt instruments were allocated to each of the members of the Obligated Group based on the member's percentage interest in the obligation.

Series 2015A Bonds — In 2015, Inland issued \$902,000 in notes payable to secure tax-exempt revenue bonds issued by the Authority for the purpose of refunding the Series 2006A bond. The Series 2015A bonds are collateralized by substantially all of the real property of Inland and a security interest in its gross receipts.

Series 2015 Taxable Note — This note was issued in conjunction with the consolidation of the Mercy Health System of Maine Obligated Group into the EMHS Obligated Group. The note is collateralized under the 2015 EMHS Obligated Group Supplemental Master Trust Indenture by a first priority security interest in gross revenues and accounts receivable and a mortgage of certain EMHS Obligated Group facilities.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Finance Authority of Maine 2013 Bonds — In 2013, SVH issued \$10,500,000 in notes payable to secure tax-exempt revenue bonds issued by the Finance Authority of Maine for the purpose of financing construction costs and refunding existing debt. The Series 2013 bonds are collateralized by a security interest in the pledged receipts.

Installment Loans

Several Northern Light Health affiliates have mortgages, notes payable, and installment loans outstanding totaling \$4,297,000 and \$6,240,000 at September 30, 2023 and 2022, respectively. The notes bear interest at rates ranging between 2.860% and 5.500% per annum and are payable through 2028.

Letters and Lines of Credit

Northern Light Health obtained a \$75,000,000 non-revolving line of credit arrangement with interest of 6.681% at September 30, 2023. The purpose of the line of credit is to provide working capital funds. The line of credit is collateralized pursuant to the terms of the Master Trust Indenture for the Northern Light Health Obligated Group and is set to expire on July 14, 2024. There were no borrowings outstanding at September 30, 2023 and 2022.

Northern Light Health obtained a \$75,000,000 non-revolving line of credit arrangement with interest of 7.567% at September 30, 2023. The purpose of the line of credit is to provide working capital funds. The line of credit is collateralized pursuant to the terms of the Master Trust Indenture for the Northern Light Health Obligated Group and is set to expire on July 15, 2024. There were no borrowings outstanding at September 30, 2023. There were \$8,245,000 of borrowings outstanding at September 30, 2022.

Beacon Health, LLC, EMMC and Mercy have letter of credit agreements with various maturities and interest rates. Maximum available borrowings under the agreements are \$1,565,254 and \$1,859,254 at September 30, 2023 and 2022, respectively. There were no borrowings outstanding at September 30, 2023 and 2022.

Principal Payments

Principal payments required on long-term debt, excluding lease obligations (see Note 16), for the next five years and thereafter, are as follows (dollars in thousands):

Years Ending September 30:	<u>Bonds</u>	<u>Other Debt</u>	<u>Total</u>
2024	\$ 15,746	\$ 2,081	\$ 17,827
2025	16,471	1,611	18,082
2026	17,046	240	17,286
2027	17,658	189	17,847
2028	18,299	176	18,475
Thereafter	<u>471,569</u>	<u>-</u>	<u>471,569</u>
Total	<u>\$ 556,789</u>	<u>\$ 4,297</u>	<u>\$ 561,086</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

10. Net Assets with Donor Restrictions

At September 30, net assets with donor restrictions of temporary duration are available for the following purposes (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Cancer care	\$ 5,079	\$ 4,133
Capital projects	18,766	25,634
Charity care	7,263	6,887
Education and research	1,667	1,955
Women's and children's care	1,902	1,876
Other healthcare services	<u>17,117</u>	<u>14,190</u>
 Total	 <u>\$ 51,794</u>	 <u>\$ 54,675</u>

At September 30, net assets with donor restrictions of permanent duration with restricted income are available for the following purposes (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Cancer care	\$ 3,849	\$ 3,420
Capital projects	2,192	2,192
Charity care	3,971	3,923
Education and research	893	889
Women's and children's care	745	745
Other healthcare services	<u>12,437</u>	<u>12,488</u>
 Total	 <u>\$ 24,087</u>	 <u>\$ 23,657</u>

At September 30, net assets with donor restrictions of permanent duration with Board designated income are available for the following purposes (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Capital projects	\$ 2,289	\$ 2,158
Other healthcare services	<u>11,293</u>	<u>12,024</u>
 Total	 <u>13,582</u>	 <u>14,182</u>
 Total net assets with donor restrictions	 <u>\$ 89,463</u>	 <u>\$ 92,514</u>

Endowment Funds

Northern Light Health's endowment funds were established for a variety of purposes. Endowment funds are donor-restricted endowment funds. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires Northern Light Health to retain as a fund in perpetuity. At September 30, 2023 and 2022, there were no funds with deficiencies.

Endowment Net Asset Composition and Changes in Endowment Net Assets

Donor restricted endowment net assets totaled \$55,831,000 and \$53,454,000 at September 30, 2023 and 2022 respectively. The changes therein for the years then ended, is as follows (dollars in thousands):

Endowment net assets – September 30, 2021	\$ <u>65,823</u>
Investment gain (loss):	
Investment income	273
Net depreciation	(7,775)
Change in beneficial interest in perpetual trust	<u>(3,756)</u>
Total investment loss	(11,258)
Contributions	643
Additions to donor-restricted funds	1,527
Appropriations of endowment assets for expenditure	(3,163)
Other	<u>(118)</u>
Endowment net assets – September 30, 2022	<u>53,454</u>
Investment gain:	
Investment income	304
Net appreciation	3,990
Change in beneficial interest in perpetual trust	<u>883</u>
Total investment gain	5,177
Contributions	228
Appropriations of endowment assets for expenditure	(2,769)
Other	<u>(259)</u>
Endowment net assets – September 30, 2023	\$ <u><u>55,831</u></u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

11. Self-Insurance and Other Contingencies

Professional and General Liability

Northern Light Health maintains a deductible program with underlying coverage provided by Medical Mutual Insurance Company of Maine and excess insurance coverage provided by various commercial insurance companies. The program serves as a mechanism to fund deductibles with funding determined by independent actuarial projections. For both professional and general liability, the program provides total limits of \$2,000,000 per claim and \$16,000,000 in the aggregate, subject to a deductible of \$1,000,000 per claim and \$6,000,000 in the aggregate. Additional excess coverage has been obtained. At September 30, 2023 and 2022, there were no known claims outstanding, which in the opinion of management, will be settled in excess of insurance coverage.

The investment assets and accrued self-insurance reserves of the professional and general liability trust were \$55,608,000 and \$48,547,000, respectively, as of September 30, 2023 and \$46,436,000 and \$42,710,000, respectively, as of September 30, 2022.

Workers' Compensation

Northern Light Health maintains a common trust fund for a group workers' compensation program in accordance with the Maine Workers' Compensation Act. Because the common trust fund is regulated by the Maine Bureau of Insurance, neither the assets nor the liabilities of the trust are reflected in the accompanying financial statements. The assets of the trust were approximately \$14,515,000 and \$16,867,000 and the liabilities were approximately \$13,399,000 and \$15,834,000 at September 30, 2023 and 2022, respectively.

Employee Health Benefits

Employee health and dental benefits are provided through partially self-insured plans or commercially-acquired programs. The self-insured medical plan had stop loss coverage that provides reimbursement for claims other than those paid within Northern Light Health in excess of \$1,000,000 per individual as of September 30, 2023 and 2022.

Other Contingencies

Northern Light Health is party in various legal proceedings and potential claims arising in the ordinary course of business. In addition, the healthcare industry as a whole is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations is subject to government review and interpretation, as well as regulatory actions, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenue, from patient services and exclusion from the Medicare and Medicaid programs. Such compliance in the healthcare industry has recently come under increased governmental scrutiny. Management does not believe that these matters will have a material adverse effect on Northern Light Health's financial position or results of operations.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

12. Pension and Postretirement Healthcare Plans

Cash Balance Plan

Employees of certain Northern Light Health affiliates participate in a Defined Benefit, Cash Balance Plan (the Plan). At the close of every calendar year, participating employers credit the employee's core account with a contribution based on eligible pay, age, and years of credited service. The employee must be at least 21 years of age and have worked 1,000 hours in the current calendar year to receive the contribution for that year. The funding policy of the Plan is to make contributions at least equal to the minimum amount required under the law.

The following table sets forth the Plan's funded status and amounts recognized in the consolidated balance sheets at September 30, 2023 and 2022 (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Change in benefit obligation		
Benefit obligation – beginning of year	\$ 359,873	\$ 445,368
Service cost	16,710	23,971
Interest cost	18,391	11,722
Benefits paid	(42,427)	(25,341)
Actuarial gain	(6,296)	(94,948)
Net change in individual accounts	<u>544</u>	<u>(899)</u>
Benefit obligation – end of year	<u>\$ 346,795</u>	<u>\$ 359,873</u>
Change in Plan assets		
Fair value of Plan assets – beginning of year	\$ 250,290	\$ 319,099
Actual return (loss) on Plan assets	17,886	(59,469)
Employer contribution	22,100	16,900
Benefits paid	(42,427)	(25,341)
Net change in individual accounts	<u>544</u>	<u>(899)</u>
Fair value of Plan assets – end of year	<u>\$ 248,393</u>	<u>\$ 250,290</u>
Funded status at end of year	<u>\$ (98,402)</u>	<u>\$ (109,583)</u>
Cumulative amounts recognized in other changes in unrestricted net assets		
Prior-service costs	\$ 17	\$ 30
Actuarial loss	<u>102,680</u>	<u>118,827</u>
Total recognized in other changes in net assets without donor restrictions	<u>\$ 102,697</u>	<u>\$ 118,857</u>
Prepaid benefit cost	<u>\$ 4,295</u>	<u>\$ 9,274</u>
Accumulated benefit obligation	<u>\$ 323,275</u>	<u>\$ 331,907</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Northern Light Health's contribution to the Plan for 2023 and 2022 exceeded amounts required by the Employee Retirement Income Security Act of 1974 (ERISA). The Plan's Adjusted Funding Target Attainment Percentage under ERISA was 86% and 103% at September 30, 2023 and 2022, respectively. As a result, the Plan is not subject to ERISA benefit restrictions.

For the years ended September 30, 2023 and 2022, net periodic pension cost for the Plan included the following components (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Service cost for benefits earned during the year	\$ 16,710	\$ 23,971
Interest cost on projected benefit obligation	18,391	11,722
Expected return on Plan assets	(22,182)	(22,447)
Amortization of prior service cost	9	10
Amortization of net loss	<u>3,387</u>	<u>10,885</u>
Net periodic pension benefit cost	<u>16,315</u>	<u>24,141</u>
Recognized settlement loss	10,761	-
Recognized curtailment loss	<u>4</u>	<u>-</u>
Total settlement and curtailment losses	<u>10,765</u>	<u>-</u>
Total cost	<u>\$ 27,080</u>	<u>\$ 24,141</u>

Net periodic pension costs of \$10,369,570 and \$169,739 are reported in other gains (losses) for the years ended September 30, 2023 and 2022, respectively. Service cost is reported in compensation and employee benefits in the statement of operations.

The significant (gains) losses related to changes in the benefit obligation for the years ended September 30, 2023 and 2022 were primarily due to the change in the discount rate assumption.

The following table sets forth the weighted-average assumptions used in determining the benefit obligations at September 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Discount rate	6.10%	5.60%
Rate of increase in future compensation	3.00	3.00
Cash balance interest credit rate	4.75	4.50

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

The following sets forth the weighted-average assumptions used to determine net periodic benefit cost for the years ended September 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Discount rate	5.30%	2.75%
Rate of increase in future compensation	3.00	3.00
Expected long-term rate of return on plan assets	7.50	7.50

The discount rate represents an estimate of the rate at which the pension benefits could be "effectively" settled. The rate of compensation increase represents a best estimate of long-term pay increases and reflects an inflation expectation consistent with the discount rate. The long-term rate of return on Plan assets represents an estimate of the rate of return on current assets, taking into account the Plan's asset allocation, and also reflects an inflation expectation consistent with the discount rate.

Northern Light Health expects to make \$35,300,000 in contributions to the Plan during 2024. In addition, the following benefit payments, which reflect expected future services, as appropriate, are expected to be paid during the years ending (dollars in thousands):

2024	\$	33,097
2025		29,006
2026		29,604
2027		31,612
2028		30,381
2029 – 2033		158,805

Northern Light Health has adopted a moderately growth-oriented investment policy for the Plan. It is anticipated that as the Plan matures, the policy should move toward a more conservative posture. Northern Light Health's overall strategy is to invest in high-grade securities and other assets with a minimum risk of market value fluctuation. In general, Northern Light Health's goal is to maintain the following allocation ranges:

	<u>Minimum</u>	Allocation % <u>Target</u>	<u>Maximum</u>
Public Equity	44%	54%	64%
Liability Hedging Assets	30	40	50
Multi Asset	-	4	10
Cash	-	2	10

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Defined Contribution Plans

Certain of Northern Light Health's affiliates sponsor defined contribution plans, which cover substantially all of their employees, and certain hospital-based physicians meeting the Plans' participation requirements. Expense for the years ended September 30, 2023 and 2022 was approximately \$16,907,000 and \$16,732,000, respectively. The affiliates fund the amount of the expense annually.

Deferred Compensation Plans

Several of Northern Light Health's affiliates sponsor deferred compensation plans for eligible employees and supplemental executive retirement plans (SERPs) for certain executives. Assets held by Northern Light Health to provide for the payments of contractual liabilities are subject to the claims of Northern Light Health's general creditors. The assets are invested in temporary cash investments, institutional mutual funds, and common/collective trusts. The investment assets and related liabilities of the deferred compensation and SERPs were \$62,487,000 and \$62,403,000, respectively, as of September 30, 2023 and \$54,195,000 and \$53,824,000, respectively, as of September 30, 2022.

Postretirement Medical Benefits

Various Northern Light Health organizations provide certain medical benefits for retired employees. Employees of these various participating organizations may become eligible for these benefits if they reach normal retirement age while working for such organizations. Early retirement benefits are available to retirees with at least 15 years of vested service. Employees at participating organizations hired after January 1, 2005 and the employees of a nonparticipating company are not eligible for retiree medical benefits. The postretirement medical plan is not funded.

For the years ended September 30, 2023 and 2022, net periodic postretirement medical benefit cost consists of the components listed below (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Service cost for benefits attributed to service during the year	\$ 60	\$ 72
Interest cost on accumulated postretirement benefit obligation	1,258	833
Amortization of prior service credit and actuarial gain	<u>(606)</u>	<u>374</u>
Net periodic postretirement medical benefit cost	<u>\$ 712</u>	<u>\$ 1,279</u>

Net periodic postretirement medical benefit cost of \$652,000 and \$1,206,000 are reported in other gains (losses) for the years ended September 30, 2023 and 2022, respectively. Service cost is reported in compensation and employee benefits in the statement of operations.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

The following table sets forth the components of the accumulated postretirement benefit obligation shown in Northern Light Health's financial statements at September 30, 2023 and 2022 (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Change in postretirement benefit obligation		
Benefit obligation – beginning of year	\$ 23,388	\$ 31,208
Service cost	60	72
Interest cost	1,258	833
Benefits paid	(1,670)	(1,691)
Actuarial loss (gain)	<u>2,328</u>	<u>(7,034)</u>
Benefit obligation at September 30	<u>\$ 25,364</u>	<u>\$ 23,388</u>
Cumulative amounts recognized in other changes in net assets without donor restrictions		
Prior-service costs	\$ 815	\$ 1,294
Actuarial gain	<u>(7,488)</u>	<u>(10,901)</u>
Total recognized in other changes in net assets without donor restrictions	<u>\$ (6,673)</u>	<u>\$ (9,607)</u>

Approximately \$2,185,000 and \$1,837,000 of the benefit obligation is included in current liabilities at September 30, 2023 and 2022, respectively.

The significant loss related to changes in the benefit obligation for the year ended September 30, 2023 was primarily due to demographic experience and claims experience being higher than expected, offset by the decrease in the discount rate.

In determining the accumulated postretirement medical benefit obligation, Northern Light Health used discount rates of 6.10% in 2023 and 5.60% in 2022. The Plan assumed annual rates of inflation in the per capita cost of covered healthcare benefits. The rates are assumed to decrease gradually down from 6.25% to 4.00% on a graded scale, becoming fixed in 2026.

Northern Light Health expects to contribute \$2,251,000 to the postretirement benefit plan during 2024.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

The following benefit payments, which reflect expected future services, as appropriate, are expected to be paid during the years ending (dollars in thousands):

Years Ending September 30:

2024	\$	2,251
2025		2,216
2026		2,200
2027		2,172
2028		2,153
2029 – 2033		10,417

Pension and Postretirement Plan-Related Adjustments

The components of pension and postretirement plan-related adjustments included in other changes in net assets without donor restrictions, net of amortization are as follows (dollars in thousands):

	Cash Balance <u>Plan</u>	Postretirement Medical <u>Benefits</u>	<u>Total</u>
For the year ended September 30, 2023			
Prior service costs	\$ 13	\$ 479	\$ 492
Net actuarial gain (loss)	12,761	(2,328)	10,433
Amortization of net actuarial gain (loss)	<u>3,386</u>	<u>(1,085)</u>	<u>2,301</u>
	<u>\$ 16,160</u>	<u>\$ (2,934)</u>	<u>\$ 13,226</u>
For the year ended September 30, 2022			
Prior service costs	\$ 10	\$ 479	\$ 489
Net actuarial gain	13,033	7,034	20,067
Amortization of net actuarial gain (loss)	<u>10,884</u>	<u>(105)</u>	<u>10,779</u>
	<u>\$ 23,927</u>	<u>\$ 7,408</u>	<u>\$ 31,335</u>

13. Concentrations

Receivables

Various Northern Light Health affiliates grant credit without collateral to their patients, many of whom are insured under third-party payor agreements. At September 30, the accounts receivable from patients and third-party payors, net of contractual allowances, were as follows:

	<u>2023</u>	<u>2022</u>
Medicare and MaineCare	28%	27%
Commercial and other insurance	56	54
Patients	<u>16</u>	<u>19</u>
	<u>100%</u>	<u>100%</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Labor Force

Certain Northern Light Health hospitals have employees that are members of the Maine State Nurses Association and/or Teamsters Union. Between 19% to 22% of the workforce at each; EMMC, Maine Coast, and AR Gould, have contracts expiring at various times through July 2027.

14. Fair Value Measurements

U.S. GAAP establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 — Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2 — Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3 — Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

The following tables present the carrying amounts and estimated fair value for Northern Light Health's financial assets and liabilities as of September 30, 2023 and 2022 (dollars in thousands):

	<u>Fair Value Measurements at September 30, 2023</u>			
	<u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>	<u>Total</u>
Assets:				
Cash investments	\$ 73,228	\$ -	\$ -	\$ 73,228
Pledges and other receivables	-	10,053	-	10,053
Marketable equity securities	5,621	-	-	5,621
Mutual funds				
Participant driven (deferred compensation)	62,098	-	-	62,098
Fixed-income securities – U.S. government				
Treasury and agency obligations	-	1,944	-	1,944
Fixed-income securities – corporate obligations	-	1,711	-	1,711
Interest in trusts and charitable gift annuities	-	-	1,496	1,496
Beneficial interest in perpetual trust	-	-	13,582	13,582
	<u>\$ 140,947</u>	<u>\$ 13,708</u>	<u>\$ 15,078</u>	169,733
Common/collective trusts				389
Public equity funds				110,637
Public debt funds				188,158
Multi asset funds				15,954
Hedge funds				<u>681</u>
				<u>\$ 485,552</u>
Liabilities:				
Deferred compensation	\$ -	\$ 62,403	\$ -	\$ 62,403
Total	<u>\$ -</u>	<u>\$ 62,403</u>	<u>\$ -</u>	<u>\$ 62,403</u>
Cash Balance Pension Plan Assets (Note 12)				
Institutional mutual funds				
Participant driven (deferred compensation)	<u>\$ 9,935</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 9,935
Public equity funds				135,691
Multi asset funds				9,511
Liability hedging funds				<u>93,256</u>
				<u>\$ 248,393</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

	Fair Value Measurements at September 30, 2022			
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Cash investments	\$ 47,957	\$ -	\$ -	\$ 47,957
Pledges and other receivables	-	14,298	-	14,298
Marketable equity securities	5,013	-	-	5,013
Mutual funds				
Participant driven (deferred compensation)	53,807	-	-	53,807
Fixed-income securities – U.S. government				
Treasury and agency obligations	-	13,642	-	13,642
Fixed-income securities – corporate obligations	-	15,991	-	15,991
Interest in trusts and charitable gift annuities	-	-	1,368	1,368
Beneficial interest in perpetual trust	-	-	14,182	14,182
	<u>\$ 106,777</u>	<u>\$ 43,931</u>	<u>\$ 15,550</u>	166,258
Common/collective trusts				389
Public equity funds				107,397
Public debt funds				190,144
Multi asset funds				15,195
Hedge funds				996
				<u>\$ 480,379</u>
Liabilities:				
Deferred compensation	\$ -	\$ 53,824	\$ -	\$ 53,824
Total	<u>\$ -</u>	<u>\$ 53,824</u>	<u>\$ -</u>	<u>\$ 53,824</u>
Cash Balance Pension Plan Assets (Note 12)				
Institutional mutual funds				
Participant driven (deferred compensation)	\$ 9,011	\$ -	\$ -	\$ 9,011
Public equity funds				133,178
Multi asset funds				10,072
Liability hedging funds				98,029
				<u>\$ 250,290</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

The following is a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value (dollars in thousands):

	Beneficial Interest in Perpetual Trust	Interest in Trust and Charitable Gift Annuities	Total
Balance at September 30, 2021	\$ 17,939	\$ 1,919	\$ 19,858
Contributions	-	100	100
Distributions	-	(208)	(208)
Dividends, net of fees	-	101	101
Unrealized losses	<u>(3,757)</u>	<u>(544)</u>	<u>(4,301)</u>
Balance at September 30, 2022	<u>14,182</u>	<u>1,368</u>	<u>15,550</u>
Contributions	-	100	100
Distributions	(1,504)	(128)	(1,632)
Dividends, net of fees	-	19	19
Unrealized gains	<u>904</u>	<u>137</u>	<u>1,041</u>
Balance at September 30, 2023	<u>\$ 13,582</u>	<u>\$ 1,496</u>	<u>\$ 15,078</u>

Unrealized gains or losses on beneficial interest in perpetual trusts in Level 3 are included in the change in net unrealized gains or losses on investments in net assets with donor restrictions. Unrealized gains or losses on interest in trusts and charitable gift annuities in Level 3 are included in net unrealized gains or losses on investments in net assets with donor restrictions. Unrealized gains or losses on other equity investments in Level 3 are included in change in net unrealized gains or losses on investments in investment income.

Fair values of investments are provided by investment custodians, trustees, managers, or advisors. The following is a description of the valuation methodologies used for assets and liabilities measured at fair value:

Cash Investments — The carrying value of cash investments approximates fair value as maturities are less than three months and/or include money market funds that are based on quoted prices and actively traded.

Pledges and Other Receivables — These are valued at the present value of cash expected to be collected in future years, discounted using a risk-free rate applicable to the year in which the pledge is received. Discount rates ranged from 4.72% to 5.12% at September 30, 2023 and 3.90% to 4.12% at September 30, 2022.

Marketable Equity Securities — The fair values of marketable securities are based on quoted market prices.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Mutual Funds — The fair values of mutual funds and institutional mutual funds are based on quoted market prices.

Fixed-Income Securities — The estimated fair values of debt securities are based on quoted market prices and/or other market data for the same or comparable instruments and transactions.

Interest in Trusts and Charitable Gift Annuities — The fair values of the interest in trusts and charitable gift annuities are based on the underlying assets of the trusts and charitable gift annuities reported by the trustees, which all have readily determinable fair values based on quoted market prices of identical or comparable securities. The underlying investments are not readily available to Northern Light Health and, therefore, this is considered to be a Level 3 investment.

Beneficial Interest in Perpetual Trusts — The fair values of the beneficial interest in perpetual trusts are based on the underlying assets of the trusts reported by the trustee, which all have readily determinable fair values based on quoted market prices of identical or comparable securities. The underlying investments are not readily available to Northern Light Health and, therefore, this is considered to be a Level 3 investment.

Deferred Compensation Liability — The fair values of the deferred compensation liabilities are based on the related assets.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Investments at Net Asset Values

Investments at NAV include common/collective trusts, institutional funds, equity funds, bond funds, partnerships, and hedge funds. The following tables set forth a summary of Northern Light Health's investments with a reported NAV as of September 30, 2023 and 2022 (dollars in thousands):

	<u>Fair Value Estimated Using Net Asset Value Per Share September 30, 2023</u>				
	<u>Fair Value</u>	<u>Unfunded Commitment</u>	<u>Redemption Frequency</u>	<u>Other Redemption Restrictions</u>	<u>Redemption Notice Period</u>
Investments					
Common/Collective trust					
Large Cap U.S. Equity	\$ <u>389</u>	None	Daily	None	1 business day
Public equity funds					
	65,781	None	Daily	None	2 business days
	20,893	None	Weekly	None	4-5 business days
	<u>23,963</u>	None	Monthly	None	5-14 business days
	<u>110,637</u>				
Public debt funds					
	156,271	None	Daily	None	2-3 business days
	<u>31,887</u>	None	Monthly	None	15 business days
	<u>188,158</u>				
Multi asset funds	<u>15,954</u>	None	Weekly	None	1 business day
Hedge Funds	<u>681</u>	None	Quarterly	None	90 business days
Total	\$ <u>315,819</u>				
Pension Plan investments					
Public equity funds					
	\$ 102,440	None	Daily	None	2-5 business days
	17,352	None	Weekly	None	4 business days
	<u>15,899</u>	None	Monthly	None	14-35 business days
	<u>135,691</u>				
Multi asset funds	<u>9,511</u>	None	Daily	None	1 business day
Liability hedging funds	<u>93,256</u>	None	Daily	None	2 business days
Total	\$ <u>238,458</u>				

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

	<u>Fair Value Estimated Using Net Asset Value Per Share September 30, 2022</u>				
	<u>Fair Value</u>	<u>Unfunded Commitment</u>	<u>Redemption Frequency</u>	<u>Other Redemption Restrictions</u>	<u>Redemption Notice Period</u>
Investments					
Common/Collective trust					
Large Cap U.S. Equity	\$ <u>389</u>	None	Daily	None	1 business day
Public equity funds					
	65,813	None	Daily	None	1-2 business days
	21,476	None	Weekly	None	3-5 business days
	<u>20,108</u>	None	Monthly	None	5-14 business days
	<u>107,397</u>				
Public debt funds					
	161,097	None	Daily	None	1-2 business days
	<u>29,047</u>	None	Monthly	None	30 business days
	<u>190,144</u>				
Multi asset funds	<u>15,195</u>	None	Weekly	None	1 business day
Hedge Funds					
	907	None	Quarterly	None	30-90 business days
	<u>89</u>	None	Annually	None	60 business days
	<u>996</u>				
Total	\$ <u>314,121</u>				
Pension Plan investments					
Public equity funds					
	\$ 103,968	None	Daily	None	2-5 business days
	15,017	None	Weekly	None	5 business days
	<u>14,193</u>	None	Monthly	None	5-14 business days
	<u>133,178</u>				
Multi asset funds	10,072	None	Daily	None	1 business day
Liability hedging funds	<u>98,029</u>	None	Daily	None	1-2 business days
Total	\$ <u>241,279</u>				

Public Equity Funds — Consists of a highly diversified mix of publicly traded global equities. Common stocks, preferred stocks, or other equity securities are typically utilized. This portfolio is composed of U.S., non-U.S., and global equity segments.

Public Debt Funds — Consists of a diversified mix of fixed income managers/mandates who may invest across multiple asset types such as: U.S. governmental bonds, investment grade and high yield corporate bonds, mortgage related bonds, non-U.S./emerging market bonds, etc.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

Liability Hedging Funds — Consists of a mix of high quality, intermediate to long duration bond strategies, including U.S. long corporate credit, U.S. long treasuries, U.S. strips, U.S. intermediate credit, U.S. intermediate treasuries, etc. The allocation is optimized to hedge a portion of the interest rate risk.

Large Cap U.S. Equity — Seeks to provide long-term growth of capital by investing primarily in large cap equity securities and to achieve above average results over a market cycle. Large cap (large capitalization) investments involve stocks of companies generally having a market capitalization between \$10 billion and \$200 billion.

Multi-Asset Funds — Seeks favorable returns and offers a convenient way to diversify a portfolio by combining funds and separate accounts investing in U.S. and non-U.S. stocks, bonds, global commodities, listed real estate, and infrastructure into one fund.

Hedge Funds — Seeks to offer investors low correlation to traditional assets, and aims to provide diversification, lower volatility, and higher risk-adjusted returns at the portfolio level. The fund's underlying managers represent a range of hedge fund strategies, which invest in global developed and emerging market equities, debt, and currency markets.

15. Functional Expenses

Northern Light Health is a community-based health system dedicated to improving the health of the residents of its region. The financial statements report certain expense categories that are attributable to more than one healthcare service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, including depreciation, amortization, interest, and other occupancy costs, are allocated to a function based on square-footage or units-of-service basis. Allocated healthcare services costs not allocated on a units-of-service basis are otherwise allocated based on revenue. Fundraising expenses are included in administrative support, and totaled approximately \$4.3 million and \$4.1 million in 2023, and 2022, respectively.

The following is a schedule by year of functional expenses (dollars in thousands):

	<u>2023</u>		
	<u>Healthcare Service</u>	<u>Administrative Support</u>	<u>Total</u>
Salary, payroll taxes, and fringe benefits	\$ 1,007,404	\$ 115,679	\$ 1,123,083
Supplies and other	447,192	22,325	469,517
Purchased services	428,758	50,450	479,208
Provider taxes	36,963	-	36,963
Depreciation and amortization	56,182	11,317	67,499
Interest expense	<u>21,351</u>	<u>1,064</u>	<u>22,415</u>
	<u>\$ 1,997,850</u>	<u>\$ 200,835</u>	<u>\$ 2,198,685</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

	<u>2022</u>		
	<u>Healthcare Service</u>	<u>Administrative Support</u>	<u>Total</u>
Salary, payroll taxes, and fringe benefits	\$ 1,014,451	\$ 121,904	\$ 1,136,355
Supplies and other	434,708	18,279	452,987
Purchased services	393,750	32,556	426,306
Provider taxes	37,720	-	37,720
Depreciation and amortization	54,283	10,038	64,321
Interest expense	<u>19,178</u>	<u>956</u>	<u>20,134</u>
	<u>\$ 1,954,090</u>	<u>\$ 183,733</u>	<u>\$ 2,137,823</u>

16. Leases and Other Commitments

Leases

Northern Light Health leases certain equipment, warehouse, hospital, and office space subject to various agreements. Operating leases are primarily for real estate, including certain acute care facilities, off-campus outpatient facilities, medical office buildings, and corporate and other administrative offices. Real estate lease agreements typically have initial terms of five to ten years. These real estate leases may include one or more options to renew, with renewals that can extend the lease term from five to ten years. The exercise of lease renewal options is at Northern Light Health's sole discretion. When determining the lease term, options to extend or terminate the lease are included when it is reasonably certain that Northern Light Health will exercise that option.

The following table presents the lease-related assets and liabilities as of September 30, 2023 and 2022 (dollars in thousands):

	<u>2023</u>	<u>2022</u>
Operating Leases		
Right-of-use assets-operating leases	<u>\$ 31,015</u>	<u>\$ 34,560</u>
Operating lease liabilities, current	<u>\$ 5,234</u>	<u>\$ 5,877</u>
Operating lease liabilities, long-term	<u>27,400</u>	<u>30,456</u>
Total operating lease liabilities	<u>\$ 32,634</u>	<u>\$ 36,333</u>
Finance Leases		
Property and equipment	<u>\$ 31,123</u>	<u>\$ 12,211</u>
Accumulated depreciation	<u>(6,963)</u>	<u>(2,441)</u>
Property and equipment, net	<u>\$ 24,160</u>	<u>\$ 9,770</u>
Current maturities of long-term debt	<u>\$ 5,945</u>	<u>\$ 2,097</u>
Long-term debt	<u>18,869</u>	<u>8,030</u>
Total finance lease liabilities	<u>\$ 24,814</u>	<u>\$ 10,127</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

The following tables presents certain information related to lease expense for the operating and financing leases as of September 30, 2023 and 2022:

Lease costs	Natural expense classification	2023
Finance lease cost:		
Amortization of right-of-use assets	Depreciation and amortization	\$ 4,737
Interest on lease obligation	Interest expense	934
Operating lease cost:	Other operating costs	<u>16,247</u>
Total lease cost		<u>\$ 21,918</u>

Lease costs	Natural expense classification	2022
Finance lease cost:		
Amortization of right-of-use assets	Depreciation and amortization	\$ 1,600
Interest on lease obligation	Interest expense	406
Operating lease cost:	Other operating costs	<u>17,565</u>
Total lease cost		<u>\$ 19,571</u>

A maturity analysis of the annual undiscounted cash flows reconciled to the carrying value of the operating and finance lease obligations, and certain other statistical data related to these leases, follows:

	<u>Operating</u>	<u>Finance</u>	<u>Total</u>
2024	\$ 7,774	\$ 6,915	\$ 14,689
2025	6,556	6,730	13,286
2026	5,758	5,729	11,487
2027	4,627	4,538	9,165
2028	3,284	2,426	5,710
Thereafter	<u>12,357</u>	<u>874</u>	<u>13,231</u>
Total	40,356	27,212	67,568
Less Discount	<u>(7,722)</u>	<u>(2,398)</u>	<u>(10,120)</u>
Total	<u>\$ 32,634</u>	<u>\$ 24,814</u>	<u>\$ 57,448</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

2023 Operating:		
Weighted-average discount rate		5.14%
Weighted-average remaining lease term		7.43 years
2023 Finance:		
Weighted-average discount rate		4.48%
Weighted-average remaining lease term		4.33 years
2022 Operating:		
Weighted-average discount rate		5.19%
Weighted-average remaining lease term		7.38 years
2022 Finance:		
Weighted-average discount rate		5.04%
Weighted-average remaining lease term		4.89 years

The following table summarizes supplemental statement of cash flow information related to leases for the years ended September 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows - operating leases	\$ 5,934	\$ 7,057
Financing cash flows - finance leases	\$ 4,490	\$ 1,558
Non-cash lease related items:		
ROU assets obtained in exchange for new finance leases	\$ 3,566	\$ 8,392
ROU assets obtained in exchange for new operating leases	\$ 19,177	\$ 4,169

In the ordinary course of business, Northern Light Health routinely lease equipment pursuant to new lease arrangements that will likely result in future lease and rental expense in excess of amounts indicated above.

Northern Light Health leased warehouse and office space from Penobscot Logistics Solutions, LLC, a related party. The building was sold in April 2022 to an unrelated party. Total lease expense through April 30, 2022 was \$288,464.

Other Commitments

Northern Light Health has agreements through 2033 with its clinical and ERP systems vendors for remote hosting services, and a perpetual license agreement for clinical systems vendors. The payments provide for the maintenance and support for the licensed software and hardware.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Notes to Consolidated Financial Statements

September 30, 2023 and 2022

The following is a schedule by year of annual payments under remote hosting agreements, perpetual license agreements, and hardware agreements existing at September 30, 2023 (dollars in thousands):

Years Ending September 30:

2024	\$ 15,020
2025	13,590
2026	12,133
2027	9,868
2028	9,868
Thereafter	<u>48,936</u>
	\$ <u>109,415</u>

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Consolidating Statement of Operations

Year Ended September 30, 2023

	<u>Acadia Hospital (Consolidated)</u>	<u>Affiliated Healthcare Systems (Consolidated)</u>	<u>A.R. Gould Hospital</u>	<u>Beacon Health, LLC (Consolidated)</u>	<u>Blue Hill Hospital</u>	<u>CA Dean Hospital</u>	<u>Eastern Maine Medical Center (Consolidated)</u>	<u>Home Care and Hospice</u>	<u>Inland Hospital (Consolidated)</u>	<u>Maine Coast Hospital (Consolidated)</u>	<u>Mayo Hospital</u>	<u>Mercy Hospital</u>	<u>Northern Light Health (Consolidated)</u>	<u>Northern Light Health Foundation</u>	<u>Northern Light Medical Transport</u>	<u>Rosscare</u>	<u>Seabasticook Valley Hospital</u>	<u>Eliminations and Reclassifications</u>	<u>2023 NLH Consolidated</u>	
Revenue																				
Net patient service revenue	\$ 74,537,010	\$ 3,724,646	\$ 153,170,176	\$ -	\$ 41,706,448	\$ 19,056,960	\$ 997,112,472	\$ 39,577,771	\$ 81,501,102	\$ 107,745,032	\$ 63,083,599	\$ 270,180,993	\$ 1,115,412	\$ -	\$ 7,578,338	\$ -	\$ 55,282,936	\$ (1,378,296)	\$ 1,913,994,599	
Sales and contract revenue	5,980,498	11,815,772	109,260	1,204,131	8,250	-	10,208,507	576,794	168,053	61,716	4,047	652,010	203,429,733	4,186,789	2,175,298	-	1,060,540	(232,160,112)	9,481,286	
Other revenue	7,406,163	685,085	23,831,808	1,071,602	2,043,537	3,775,537	138,309,816	518,727	14,403,065	8,345,123	6,137,155	15,539,071	153,656,003	8,197	495,867	301,009	5,559,417	(146,409,390)	235,677,792	
Net assets with donor restrictions released from restrictions - operations	106,552	-	73,684	-	87,977	23,729	1,827,885	395,766	33,797	128,279	2,700	638,299	3,665	58,702	-	-	49,332	-	3,430,367	
Total revenue	88,030,223	16,225,503	177,184,928	2,275,733	43,846,212	22,856,226	1,147,458,680	41,069,058	96,106,017	116,280,150	69,227,501	287,010,373	358,204,813	4,253,688	10,249,503	301,009	61,952,225	(379,947,798)	2,162,584,044	
Expenses																				
Compensation and employee benefits	59,441,642	5,401,461	89,757,774	496,143	19,546,909	13,822,927	455,318,769	38,610,024	44,572,080	45,041,794	33,465,679	144,809,310	137,284,986	3,235,986	8,043,564	7,994	26,360,197	(2,133,903)	1,123,083,336	
Supplies and other	22,267,694	14,636,746	76,305,865	896,327	21,570,774	8,025,011	624,762,529	12,866,589	50,789,665	63,184,950	25,698,539	121,868,093	289,431,096	1,010,329	2,812,092	260,100	27,115,293	(377,813,895)	985,687,797	
Depreciation and amortization	852,571	309,776	3,740,587	14,057	854,778	466,191	29,319,807	120,050	2,095,644	2,656,074	1,443,828	8,509,519	15,713,627	7,373	234,490	-	1,160,659	-	67,499,031	
Interest	(14,068)	48,174	917,878	-	105,259	162,559	12,194,616	1,339	646,451	655,966	411,037	3,823,707	3,286,699	-	-	-	175,688	-	22,415,305	
Total expenses	82,547,839	20,396,157	170,722,104	1,406,527	42,077,720	22,476,688	1,121,595,721	51,598,002	98,103,840	111,538,784	61,019,083	279,010,629	445,716,408	4,253,688	11,090,146	268,094	54,811,837	(379,947,798)	2,198,685,469	
Income (loss) from operations	5,482,384	(4,170,654)	6,462,824	869,206	1,768,492	379,538	25,862,959	(10,528,944)	(1,997,823)	4,741,366	8,208,418	7,999,744	(87,511,595)	-	(840,643)	32,915	7,140,388	-	(36,101,425)	
Other gains (losses)																				
Income tax expense	-	(7,181,293)	-	(219,349)	-	-	(53,573)	-	-	-	-	-	-	-	-	-	-	-	-	(7,454,215)
Joint venture income (loss)	-	(39,892)	15,370	-	-	-	(110,556)	-	-	-	-	-	2,289,154	-	-	-	-	-	-	2,154,076
Gain on sale of lab outreach business	-	30,700,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,700,000
Investment income (losses) and other, net	(788,174)	(419,544)	45,084	1,974	(214,855)	(139,798)	(4,739,217)	-	96	316	-	(450)	32,619,832	1,262,342	(37,327)	(8,800)	418	(18,888,617)	8,693,280	
Total other gains (losses) - net	(788,174)	23,059,271	60,454	(217,375)	(214,855)	(139,798)	(4,903,346)	-	96	316	-	(450)	34,908,986	1,262,342	(37,327)	(8,800)	418	(18,888,617)	34,093,141	
Excess (deficiency) of revenue and gains over expenses and losses	4,694,210	18,888,617	6,523,278	651,831	1,553,637	239,740	20,959,613	(10,528,944)	(1,997,727)	4,741,682	8,208,418	7,999,294	(52,602,609)	1,262,342	(877,970)	24,115	7,140,806	(18,888,617)	(2,008,284)	
Other changes in net assets without donor restrictions																				
Net assets with donor restrictions released from restrictions - capital acquisitions	-	-	363,045	-	3,350,664	13,500	675,550	-	82,153	2,841,257	-	1,036,321	-	-	-	-	18,857	-	-	8,381,347
Net change in funds held at affiliates	1,717	-	16,210	-	5,017	1,580,918	580,070	241,713	17,360	507,655	5,020	458	1,601	-	-	-	1,848	(2,959,587)	-	
Interentity equity transfers	(235)	-	(15,948)	-	(4,761)	(1,574,371)	(525,216)	(425)	(8,714)	76,288	(2,410)	-	-	2,055,792	-	-	-	-	-	
Pension and postretirement plan - related adjustments	1,077,793	552,412	-	257,726	197,439	101,255	8,182,931	-	-	-	-	-	3,404,077	-	12,279	(7,435)	-	(552,412)	13,226,065	
Dividends to members	-	(23,000,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,000,000	-	
Increase (decrease) in net assets without donor restrictions	\$ 5,773,485	\$ (3,558,971)	\$ 6,886,585	\$ 909,557	\$ 5,101,996	\$ 361,042	\$ 29,872,948	\$ (10,287,656)	\$ (1,906,928)	\$ 8,166,882	\$ 8,211,028	\$ 9,036,073	\$ (49,196,931)	\$ 3,318,134	\$ (865,691)	\$ 16,680	\$ 7,161,511	\$ 599,384	\$ 19,599,128	

The above supplementary consolidating information is presented only for purposes of additional analysis and not as a presentation of the results of operations of each component of the consolidating group.

EASTERN MAINE HEALTHCARE SYSTEMS d/b/a NORTHERN LIGHT HEALTH

Consolidating Statement of Operations

Year Ended September 30, 2022

	Acadia Hospital (Consolidated)	Affiliated Healthcare Systems (Consolidated)	A.R. Gould Hospital	Beacon Health, LLC (Consolidated)	Blue Hill Hospital	CA Dean Hospital	Eastern Maine Medical Center (Consolidated)	Home Care and Hospice	Inland Hospital (Consolidated)	Maine Coast Hospital (Consolidated)	Mayo Hospital	Mercy Hospital	Northern Light Health (Consolidated)	Northern Light Health Foundation	Northern Light Medical Transport	Rosscare	Sebasticook Valley Hospital	Eliminations and Reclassifications	2022 NLH Consolidated
Revenue																			
Net patient service revenue	\$ 73,035,263	\$ 10,306,543	\$ 134,800,837	\$ -	\$ 42,960,125	\$ 20,293,323	\$ 933,773,900	\$ 43,565,274	\$ 74,481,119	\$ 98,641,355	\$ 60,721,878	\$ 240,065,700	\$ 808,041	\$ -	\$ 5,958,436	\$ -	\$ 57,203,728	\$ (805,680)	\$ 1,795,809,842
Sales and contract revenue	5,383,299	34,163,623	164,332	6,200,492	24,124	18,305	9,524,160	534,650	575,852	54,266	107,600	347,237	212,572,166	4,153,333	1,929,721	-	975,744	(265,287,842)	11,441,062
Other revenue	7,366,316	835,282	20,402,809	4,595,711	4,110,539	2,038,837	107,821,988	1,391,054	12,220,274	8,316,673	4,400,405	13,653,558	152,916,096	380	556,109	414,845	5,012,784	(149,882,958)	196,170,702
Net assets with donor restrictions released from restrictions - operations	165,420	-	52,794	-	86,983	7,214	952,938	165,946	81,090	126,921	-	976,075	-	44,454	-	-	23,989	-	2,683,824
Total revenue	85,950,298	45,305,448	155,420,772	10,796,203	47,181,771	22,357,679	1,052,072,966	45,656,924	87,358,335	107,139,215	65,229,883	255,042,570	366,296,303	4,198,167	8,444,266	414,845	63,216,245	(415,976,480)	2,006,105,430
Expenses																			
Compensation and employee benefits	57,024,410	17,523,025	84,186,250	4,222,763	19,456,559	13,125,367	454,294,973	35,584,928	41,428,597	43,199,264	32,458,395	129,837,666	174,169,676	3,030,344	6,639,747	20,683	23,761,085	(3,608,708)	1,136,355,024
Supplies and other	22,957,476	25,493,460	77,946,779	3,912,608	19,447,537	7,844,418	632,880,866	12,895,961	52,310,547	57,807,503	25,830,266	127,369,562	231,641,403	1,031,526	2,784,543	214,891	27,011,323	(412,367,772)	917,012,897
Depreciation and amortization	832,359	332,681	3,504,302	32,342	684,789	503,563	29,334,074	121,074	1,997,925	2,091,509	1,522,961	7,566,225	14,454,757	8,141	206,982	-	1,127,015	-	64,320,699
Interest	1,035	96,475	835,793	-	90,024	143,163	11,861,120	813	613,443	472,382	197,814	3,271,851	2,390,079	-	-	-	160,006	-	20,133,998
Total expenses	80,815,280	43,445,641	166,473,124	8,167,713	39,678,909	21,616,511	1,128,371,033	48,602,776	96,350,512	103,570,658	60,009,436	268,045,304	422,655,915	4,070,011	9,631,272	235,574	52,059,429	(415,976,480)	2,137,822,618
Income (loss) from operations	5,135,018	1,859,807	(11,052,352)	2,628,490	7,502,862	741,168	(76,298,047)	(2,945,852)	(8,992,177)	3,568,557	5,220,447	(13,002,734)	(56,359,612)	128,156	(1,187,006)	179,271	11,156,816	-	(131,717,188)
Other gains (losses)																			
Income tax expense	-	(218,000)	-	(165,781)	-	-	(91,276)	-	-	-	-	-	-	-	-	-	-	-	(475,057)
Joint venture income	-	843,825	182,077	-	-	-	296,716	-	-	-	-	-	4,932,572	-	-	-	-	-	6,244,990
Investment (losses) income and other, net	(68,667)	(114,242)	39,371	(6,056)	(2,118)	(1,226)	(1,777,014)	-	(475)	979	-	322,779	(46,864,354)	(1,237,849)	(1,240)	(6,796)	128	(2,371,190)	(52,087,970)
Total other gains (losses) - net	(68,667)	511,383	221,448	(171,837)	(2,118)	(1,226)	(1,581,574)	-	(475)	979	-	322,779	(41,931,782)	(1,237,849)	(1,240)	(6,796)	128	(2,371,190)	(46,318,037)
Excess (deficiency) of revenue and gains over expenses and losses	5,066,351	2,371,190	(10,830,904)	2,456,653	7,500,744	739,942	(77,879,621)	(2,945,852)	(8,992,652)	3,569,536	5,220,447	(12,679,955)	(98,291,394)	(1,109,693)	(1,188,246)	172,475	11,156,944	(2,371,190)	(178,035,225)
Other changes in net assets without donor restrictions																			
Net assets with donor restrictions released from restrictions - capital acquisitions	-	-	401,916	-	61,131	-	4,213,856	-	202,107	69,849	-	2,651,635	-	-	-	-	74,571	-	7,675,065
Net change in funds held at affiliates	(6,652)	-	(408)	-	(445)	(3,731)	165,770	(442,413)	57,884	(725,871)	22	195	(2,925)	-	-	-	(273)	958,847	-
Interentity equity transfers	4,377	-	-	-	-	-	(125,000)	-	963	169,219	-	-	(27,961)	(21,598)	-	-	-	-	-
Pension and postretirement plan - related adjustments	1,542,055	1,360,771	-	251,720	72,835	85,623	22,674,625	-	-	-	-	-	6,487,914	-	166,860	53,575	-	(1,360,771)	31,335,207
Increase (decrease) in net assets without donor restrictions	\$ 6,606,131	\$ 3,731,961	\$ (10,429,396)	\$ 2,708,373	\$ 7,634,265	\$ 821,834	\$ (50,950,370)	\$ (3,388,265)	\$ (8,731,698)	\$ 3,082,733	\$ 5,220,469	\$ (10,028,125)	\$ (91,834,366)	\$ (1,131,291)	\$ (1,021,386)	\$ 226,050	\$ 11,231,242	\$ (2,773,114)	\$ (139,024,953)

The above supplementary consolidating information is presented only for purposes of additional analysis and not as a presentation of the results of operations of each component of the consolidating group.