



AUGUST 14, 2013

LAURA SMITH
THE MILFORD HOSPITAL, INC.
300 SEASIDE AVENUE
MILFORD, CT 06460

DEAR LAURA:

ENCLOSED ARE THE ORGANIZATION'S 2011 EXEMPT ORGANIZATION RETURNS. THE STATE EXEMPT ORGANIZATION RETURN IS ALSO ENCLOSED. THESE SHOULD BE SIGNED, DATED, AND MAILED, AS INDICATED.

SPECIFIC FILING INSTRUCTIONS ARE AS FOLLOWS.

FORM 990 RETURN:

THIS RETURN HAS QUALIFIED FOR ELECTRONIC FILING. AFTER YOU HAVE REVIEWED THE RETURN FOR COMPLETENESS AND ACCURACY, PLEASE SIGN, DATE AND RETURN FORM 8879-EO TO OUR OFFICE. WE WILL TRANSMIT THE RETURN ELECTRONICALLY TO THE IRS AND NO FURTHER ACTION IS REQUIRED. RETURN FORM 8879-EO TO US BY AUGUST 15, 2013.

FORM 990-T RETURN:

NO AMOUNT IS DUE ON FORM 990-T.

PLEASE SIGN AND MAIL ON OR BEFORE AUGUST 15, 2013.

MAIL TO - DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0027

CONNECTICUT FORM CT-990T RETURN:

MAIL TO - DEPARTMENT OF REVENUE SERVICES
STATE OF CONNECTICUT
PO BOX 5014
HARTFORD, CT 06102-5014

PLEASE SIGN AND MAIL FORM CT-990T ON OR BEFORE AUGUST 15, 2013.

NO PAYMENT IS REQUIRED.



Marcum LLP • City Place II • 185 Asylum Street • 17th Floor • Hartford, CT 06103 • Phone 860.549.8500 / 877.231.5351 • Fax 860.549.8501 • marcumllp.com

WE RECOMMEND THAT YOU USE CERTIFIED MAIL WITH POST MARKED RECEIPT FOR PROOF OF TIMELY FILING.

COPIES OF ALL THE RETURNS ARE ENCLOSED FOR YOUR FILES. WE SUGGEST THAT YOU RETAIN THESE COPIES INDEFINITELY.

VERY TRULY YOURS,

DOUGLAS J FARRINGTON
MARCUM LLP

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No. 1545-0047

2011

Open to Public
Inspection

► The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2011 calendar year, or tax year beginning OCT 1, 2011 and ending SEP 30, 2012

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization THE MILFORD HOSPITAL, INC.		D Employer identification number 06-0646741
	Doing Business As		
	Number and street (or P.O. box if mail is not delivered to street address) 300 SEASIDE AVENUE		Room/suite
	City or town, state or country, and ZIP + 4 MILFORD, CT 06460		
	F Name and address of principal officer: LAURA SMITH SAME AS C ABOVE		E Telephone number (203) 876-4000 G Gross receipts \$ 214,919,352. H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ►
	I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)() (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: ► WWW.MILFORDHOSPITAL.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►		L Year of formation: 1942	M State of legal domicile: CT

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: HOSPITAL SERVICES			
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
	3 Number of voting members of the governing body (Part VI, line 1a)	3	18	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	17	
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	793	
	6 Total number of volunteers (estimate if necessary)	6	321	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	4,884,338.	
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
	Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
		9 Program service revenue (Part VIII, line 2g)	16,925.	6,316.
		10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	185,934,229.	190,860,963.
		11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,613,024.	2,252,656.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		818,391.	2,678,203.	
		189,382,569.	195,798,138.	
Expenses		13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	89,905.	86,537.
		14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
		15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	54,008,642.	56,289,295.
		16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
		b Total fundraising expenses (Part IX, column (D), line 25) ► 0.		
		17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	138,227,891.	141,155,851.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	192,326,438.	197,531,683.	
	19 Revenue less expenses. Subtract line 18 from line 12	-2,943,869.	-1,733,545.	
	Net Assets or Fund Balances	Beginning of Current Year	End of Year	
		20 Total assets (Part X, line 16)	64,632,155.	58,315,458.
		21 Total liabilities (Part X, line 26)	49,088,137.	50,954,217.
		22 Net assets or fund balances. Subtract line 21 from line 20	15,544,018.	7,361,241.

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	Date	
	► LAURA SMITH, CFO/VP OF FINANCE		
Paid Preparer	Print/Type preparer's name DOUGLAS FARRINGTON	Preparer's signature	Date
			Check <input type="checkbox"/> if self-employed
Use Only	Firm's name ► MARCUM LLP	Firm's EIN ► 11-1986323	
	Firm's address ► CITY PLACE II 185 ASYLUM STREET HARTFORD, CT 06103	Phone no. 860-549-8500	

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III **1** Briefly describe the organization's mission:

THE MISSION OF MILFORD HOSPITAL IS TO EFFECTIVELY AND EFFICIENTLY PROVIDE HIGH QUALITY HEALTHCARE SERVICES IN A MODERN AND SAFE ENVIRONMENT, BY ANTICIPATING AND EXCEEDING THE NEEDS OF PATIENTS, PHYSICIANS AND ALL OF OUR CUSTOMERS WITH EXCELLENCE, CONVENIENCE AND

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 and section 4947(a)(1) trusts 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 \$ **185,492,370.** including grants of \$ **86,537.**) (Revenue \$ **192,864,610.**)
MILFORD HOSPITAL PROVIDES HIGH-QUALITY HEALTHCARE SERVICES TO THE RESIDENTS OF MILFORD, WEST HAVEN, ORANGE AND STRATFORD, CONNECTICUT AND ITS SURROUNDING COMMUNITIES WITHOUT REGARD TO RACE, GENDER, CREED OR ABILITY TO PAY.

SEE SCHEDULE O FOR CONTINUATION

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

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

4d Other program services (Describe in Schedule O.)

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

4e Total program service expenses ► **185,492,370.**

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)? If "Yes," complete Schedule A	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3 X	
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4 X	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5 X	
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6 X	
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7 X	
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8 X	
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9 X	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10 X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. <ul style="list-style-type: none"> a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 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? If "Yes," complete Schedule D, Part VII 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? If "Yes," complete Schedule D, Part VIII 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? If "Yes," complete Schedule D, Part IX e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11a X 11b X 11c X 11d X 11e X 11f X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12a X	
12b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional	12b X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13 X	
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a X	
14b 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? If "Yes," complete Schedule F, Parts I and IV	14b X	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	15 X	
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV	16 X	
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17 X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18 X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19 X	
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a X	
20b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b X	

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	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? If "Yes," complete Schedule J	23	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? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25	24a	X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
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?	24c	
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	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? If "Yes," complete Schedule L, Part I	25b	X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27	X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a	X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c	X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	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? If "Yes," complete Schedule R, Part I	33	X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	X
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	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? If "Yes," complete Schedule R, Part VI	37	X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	38	X

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

Form 990 (2011)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	35
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
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	793
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
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," provide an explanation in Schedule O	3b	X
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country: ► See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
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?	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).	7a	X
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?	7b	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	X
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7e	X
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7h	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	8	
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	9a	
9	Sponsoring organizations maintaining donor advised funds.	9b	
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:	10a	
a	Initiation fees and capital contributions included on Part VIII, line 12	10b	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:	11a	
a	Gross income from members or shareholders	11b	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
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.	13a	
a	Is the organization licensed to issue qualified health plans in more than one state?		
Note. See the instructions for additional information the organization must report on Schedule O.			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

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 in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	18	
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
1b	Enter the number of voting members included in line 1a, above, who are independent	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, or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?		
b	Each committee with authority to act on behalf of the governing body?		
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 in 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?	
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?	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.	
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	
13	Did the organization have a written whistleblower policy?	
14	Did the organization have a written document retention and destruction policy?	
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	
b	Other officers or key employees of the organization	
	If "Yes" to line 15a or 15b, describe the process in 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?	
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?	
16b		X

Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed ► NONE
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
	<input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► JOSEPH PELACCIA - 203-876-4230
	300 SEASIDE AVENUE, MILFORD, CT 06460

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors
Check if Schedule O contains a response to any question in this Part VII
Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

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 (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee			
(1) JOSEPH PELACCIA PRESIDENT & CEO	41.70	X		X			409,000.	51,248.	18,260.
(2) SAMUEL BERGAMI, JR. CHAIRMAN	1.00	X		X			0.	0.	0.
(3) LOUIS D'AMATO VICE CHAIRMAN	1.00	X		X			0.	0.	0.
(4) STEPHEN E. RONAI, ESQ. SECRETARY	1.00	X		X			0.	0.	0.
(5) RICHARD MEISENHEIMER TREASURER	1.00	X		X			0.	0.	0.
(6) JAMES BEARD DIRECTOR	1.00	X					0.	0.	0.
(7) NANCY BENNETT DIRECTOR	1.00	X					0.	0.	0.
(8) ARMAND CANTAFIO DIRECTOR	1.00	X					0.	0.	0.
(9) LEO CARROLL DIRECTOR	1.00	X					0.	0.	0.
(10) BRADFORD GESLER DIRECTOR	1.00	X					0.	0.	0.
(11) ANN LOESCH DIRECTOR	1.00	X					0.	0.	0.
(12) CAROL MCINNIS DIRECTOR	1.00	X					0.	0.	0.
(13) LEN NAPOLI, JR. DIRECTOR	1.00	X					0.	0.	0.
(14) RAYMOND S. OLIVER DIRECTOR	1.00	X					0.	0.	0.
(15) MICHAEL SAFFER DIRECTOR	1.00	X					0.	0.	0.
(16) STEVEN SAUNDERS DIRECTOR	1.00	X					0.	0.	0.
(17) RITA CANAS DIRECTOR	1.00	X					0.	0.	0.

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee			
(18) PATRICIA CUCUZZA DIRECTOR	1.00	X					0.	0.	0.
(19) LAURA SMITH VP FINANCE & CFO	36.50		X				124,735.	28,388.	24,913.
(20) LLOYD FRIEDMAN, MD VP MEDICAL AFFAIRS & COO	33.40		X				372,178.	46,634.	28,480.
(21) ANDREW CHOW PHYSICIAN	59.00			X			308,834.	0.	30,493.
(22) WILLIAM SACKS, MD PHYSICIAN	44.00			X			305,138.	0.	12,250.
(23) ANITHA KAMATH PHYSICIAN	40.00			X			297,750.	0.	30,493.
(24) GEORGE REESE PHYSICIAN	40.00			X			293,135.	0.	30,493.
(25) RESUL DALIPI PHYSICIAN	61.00			X			291,585.	0.	24,708.
1b Sub-total						►	2,402,355.	126,270.	200,090.
c Total from continuation sheets to Part VII, Section A						►	0.	0.	0.
d Total (add lines 1b and 1c)						►	2,402,355.	126,270.	200,090.

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

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	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	3	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? If "Yes," complete Schedule J for such individual	4	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? If "Yes," complete Schedule J for such person	5	X

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
AFTERCARE PHYSICAL THERAPY SERVICES 4154 MADISON AVE., TRUMBULL, CT 06611	THERAPY SERVICES	561,314.
AMERICAN RED CROSS P.O. BOX 33093, NEWARK, NJ 07188	PROCESS BLOOD	452,260.
QUEST DIAGNOSTICS, INC., 2025 COLLECTION CENTER DRIVE, CHICAGO, IL 60693	LAB TESTING SERVICES	337,380.
SECURITAS SECURITY SERVICE USA, INC. P.O. BOX 403412, ATLANTA, GA 30384	SECURITY SERVICE	228,089.
PHILIPS HEALTHCARE P.O. BOX 403831, ATLANTA, GA 30384	RECORDS ARCHIVING	223,158.

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

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Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a			
	b Membership dues	1b			
	c Fundraising events	1c			
	d Related organizations	1d			
	e Government grants (contributions)	1e			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	6,316.		
	g Noncash contributions included in lines 1a-1f: \$				
	h Total. Add lines 1a-1f		6,316.		
Program Service Revenue	2 a SPECIAL SERVICES	Business Code			
	b ROUTINE SERVICES	621500	139223353.	136700070.	2523283.
	c OTHER SERVICES	624100	49347985.	49347985.	
	d	541610	2,289,625.		2289625.
	e				
	f All other program service revenue				
	g Total. Add lines 2a-2f		190860963.		
	3 Investment income (including dividends, interest, and other similar amounts)		341,877.		341,877.
	4 Income from investment of tax-exempt bond proceeds				
	5 Royalties				
	6 a Gross rents	(i) Real	(ii) Personal		
		9,350.			
	b Less: rental expenses	9,431.			
	c Rental income or (loss)	-81.			
	d Net rental income or (loss)		-81.		-81.
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other		
		20903331	21,272.		
	b Less: cost or other basis and sales expenses	19013120	704.		
	c Gain or (loss)	1890211.	20,568.		
	d Net gain or (loss)		1,910,779.		1910779.
Other Revenue	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a	66,763.		
	b Less: direct expenses	b	28,016.		
	c Net income or (loss) from fundraising events		38,747.		38,747.
	9 a Gross income from gaming activities. See Part IV, line 19	a			
	b Less: direct expenses	b			
	c Net income or (loss) from gaming activities				
	10 a Gross sales of inventory, less returns and allowances	a	118,025.		
	b Less: cost of goods sold	b	69,943.		
	c Net income or (loss) from sales of inventory		48,082.		48,082.
	Miscellaneous Revenue	Business Code			
	11 a MEANINGFUL USE INCOME	900099	2,003,647.	2,003,647.	
	b CAFETERIA REVENUE	722210	228,059.		228,059.
	c PHARMACY SALES	446110	198,790.		198,790.
	d All other revenue	541610	160,959.	71,430.	89,529.
	e Total. Add lines 11a-11d		2,591,455.		
	12 Total revenue. See instructions		195798138.	188051702.	4884338.
					2855782.

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) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	83,537.	83,537.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	3,000.	3,000.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,401,726.	580,527.	821,199.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	38,018,526.	34,197,200.	3,821,326.	
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	1,963,623.	1,812,471.	151,152.	
9 Other employee benefits	12,204,862.	11,495,238.	709,624.	
10 Payroll taxes	2,700,558.	2,479,264.	221,294.	
11 Fees for services (non-employees):				
a Management	182,737.		182,737.	
b Legal	175,717.		175,717.	
c Accounting	16,119.		16,119.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	123,885.		123,885.	
f Investment management fees	6,317,367.	4,769,193.	1,548,174.	
g Other	178,555.	45,399.	133,156.	
12 Advertising and promotion	10,891,580.	10,702,845.	188,735.	
13 Office expenses	422,584.	64,237.	358,347.	
14 Information technology				
15 Royalties				
16 Occupancy	2,157,816.	1,947,711.	210,105.	
17 Travel	39,524.	25,218.	14,306.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	18,152.	17,972.	180.	
20 Interest	4,834.		4,834.	
21 Payments to affiliates	101,464.	88,064.	13,400.	
22 Depreciation, depletion, and amortization	2,817,478.	2,164,828.	652,650.	
23 Insurance	23,519.		23,519.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a ALLOWANCE FOR UNPAID CA	104,777,915.	104,777,915.		
b BAD DEBTS	7,028,914.	7,028,914.		
c HOSPITAL TAX	2,363,465.		2,363,465.	
d PHARMACEUTICAL DRUGS	1,864,124.	1,864,124.		
e All other expenses	1,650,102.	1,344,713.	305,389.	
25 Total functional expenses. Add lines 1 through 24e	197,531,683.	185,492,370.	12,039,313.	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 ► if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	927,181.	1	369,970.
	2 Savings and temporary cash investments	2,959,748.	2	3,303,475.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	12,622,341.	4	12,293,728.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	799,838.	8	886,768.
	9 Prepaid expenses and deferred charges	751,650.	9	613,085.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 72,359,288.		
	b Less: accumulated depreciation	10b 48,777,136.	10c 24,699,653.	23,582,152.
	11 Investments - publicly traded securities	19,697,244.	11	11,013,706.
	12 Investments - other securities. See Part IV, line 11	745,924.	12	789,204.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	1,428,576.	15	5,463,370.
	16 Total assets. Add lines 1 through 15 (must equal line 34)	64,632,155.	16	58,315,458.
Liabilities	17 Accounts payable and accrued expenses	13,201,087.	17	13,411,819.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	1,891,051.	23	935,367.
	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	33,995,999.	25	36,607,031.
	26 Total liabilities. Add lines 17 through 25	49,088,137.	26	50,954,217.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	14,244,094.	27	6,018,037.
	28 Temporarily restricted net assets	626,161.	28	669,441.
	29 Permanently restricted net assets	673,763.	29	673,763.
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	15,544,018.	33	7,361,241.
	34 Total liabilities and net assets/fund balances	64,632,155.	34	58,315,458.

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Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	195,798,138.
2	Total expenses (must equal Part IX, column (A), line 25)	2	197,531,683.
3	Revenue less expenses. Subtract line 2 from line 1	3	-1,733,545.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	15,544,018.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-6,449,232.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	7,361,241.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question 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 in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	<input checked="" type="checkbox"/>
b	Were the organization's financial statements audited by an independent accountant?	2b	<input checked="" type="checkbox"/>
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?	2c	<input checked="" type="checkbox"/>
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	<input checked="" type="checkbox"/>
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 in Schedule O and describe any steps taken to undergo such audits.	3b	

Form 990 (2011)

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. ► See separate instructions.

2011

Open to Public
Inspection

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

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 11, 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.)
- 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 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.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 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 that describes the type of supporting organization and complete lines 11e through 11h.

a Type I b Type II c Type III - Functionally integrated d Type III - Other

e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box _____

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? _____

(ii) A family member of a person described in (i) above? _____

(iii) A 35% controlled entity of a person described in (i) or (ii) above? _____

h Provide the following information about the supported organization(s).

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

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

Schedule A (Form 990 or 990-EZ) 2011

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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five 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 2011 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2011. 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 - 2010. 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 - 2011. 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 IV 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 - 2010. 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 IV 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"/>	

Schedule A (Form 990 or 990-EZ) 2011

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

(Complete only if you checked the box on line 9 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						

14 First five 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 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	%
19a 33 1/3% support tests - 2011. 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 ► <input type="checkbox"/>		
b 33 1/3% support tests - 2010. 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 ► <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► <input type="checkbox"/>		

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 (grass roots 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.			
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 instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		16,119.
j Total. Add lines 1c through 1i			16,119.
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 expenditures from the prior year?	3	

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

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

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A; and Part II-B, line 1. Also, complete this part for any additional information.

PART II-B, LINE 1, LOBBYING ACTIVITIES:

THE HOSPITAL PAID DUES TO THE CT HOSPITAL ASSOCIATION (CHA), WHICH

INCLUDED LOBBYING COSTS OF \$9,901. CHA REPRESENTS CT HOSPITALS AND

WORKS WITH OTHER ORGANIZATIONS LIKE AHA TO ADDRESS STATE AND FEDERAL

LEGISLATIVE ISSUES AFFECTING HOSPITALS.

Part IV Supplemental Information (continued)

THE HOSPITAL ALSO PAID DUES TO THE AMERICAN HOSPITAL ASSOCIATION (AHA), WHICH INCLUDED LOBBYING COSTS OF \$6,218. AHA REPRESENTS ALL HOSPITALS, NATIONWIDE, AND WORKS ALONG WITH STATE HOSPITAL ASSOCIATIONS, LIKE CHA TO ADDRESS FEDERAL LEGISLATIVE ISSUES AFFECTING HOSPITALS.

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**

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

OMB No. 1545-0047

2011Open to Public
Inspection

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number
06-0646741**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate 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" to 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 (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
	<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
	<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.		
		Held at the End of the Tax Year
a Total number of conservation easements	2a	
b Total acreage restricted by conservation easements	2b	
c Number of conservation easements on a certified historic structure included in (a)	2c	
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____		
4 Number of states where property subject to conservation easement is located ► _____		
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?	<input type="checkbox"/>	Yes
6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► _____		
7 Amount of expenses incurred in monitoring, inspecting, 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)?	<input type="checkbox"/>	Yes
9 In Part XIV, 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.		<input type="checkbox"/>

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

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

1a If the organization elected, as permitted under SFAS 116 (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 XIV, the text of the footnote to its financial statements that describes these items.	
b If the organization elected, as permitted under SFAS 116 (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) Revenues included in 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 SFAS 116 (ASC 958) relating to these items:	
a Revenues included in 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 are a 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 programs
 e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

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" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	685,311.	663,319.	657,181.	647,698.	
b Contributions		5,000.	5,000.	5,000.	
c Net investment earnings, gains, and losses	56,088.	16,992.	1,138.	4,483.	
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	741,399.	685,311.	663,319.	657,181.	

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

a Board designated or quasi-endowment ► .00 %

b Permanent endowment ► 100.00 %

c Temporarily restricted endowment ► .00 %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

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

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

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		825,066.		825,066.
b Buildings	103,155.	38,094,284.	20,864,218.	17,333,221.
c Leasehold improvements				
d Equipment		32,734,508.	27,328,599.	5,405,909.
e Other		602,275.	584,319.	17,956.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)			►	23,582,152.

Schedule D (Form 990) 2011

Part VII Investments - Other Securities. 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. (Col (b) must equal Form 990, Part X, col (B) line 12.) ►		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(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. (Col (b) must equal Form 990, Part X, col (B) line 13.) ►		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) DUE FROM AFFILIATES	654,071.
(2) OTHER RECEIVABLES	830,494.
(3) INSURED CLAIMS RECEIVABLE	3,978,805.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ►	5,463,370.

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ACCRUED INSURANCE	358,880.
(3) ACCRUED PENSION	29,974,311.
(4) DUE TO THIRD PARTY	895,803.
(5) DEFERRED COMPENSATION	321,207.
(6) DUE TO AFFILIATES	607,958.
(7) FINANCE LEASE PAYABLE	18,342.
(8) OTHER ACCRUED BENEFITS	440,900.
(9) AUTO LOAN PAYABLE	10,825.
(10) INSURED CLAIMS LIABILITIES	3,978,805.
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ►	36,607,031.

FIN 48 (ASC 740) Footnote: In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under

2. FIN 48 (ASC 740).

132053
01-23-12

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	195,798,138.
2	197,531,683.
3	-1,733,545.
4	3,465.
5	
6	
7	
8	-6,452,697.
9	-6,449,232.
10	-8,182,777.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	88,956,176.
2	
2a	3,465.
2b	
2c	
2d	-173,210.
2e	-169,745.
3	89,125,921.
4	
4a	123,885.
4b	106,548,332.
4c	106,672,217.
5	195,798,138.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	90,685,854.
2	
2a	
2b	
2c	
2d	-20,568.
2e	-20,568.
3	90,706,422.
4	
4a	123,885.
4b	106,701,376.
4c	106,825,261.
5	197,531,683.

Part XIV Supplemental Information

Complete this part to 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, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

PASSTHROUGH INCOME FROM CT HOSPITAL LAB NETWORK, LLC	-1,146.
PASSTHROUGH INCOME FROM HEALTH CONNECTICUT, LLC	2,691.
CHANGE IN PENSION FUND OBLIGATION	-11,309,559.
TRANSFER TO AN AFFILIATE	-711,414.
CHANGE IN EQUITY INTEREST IN MILFORD HOSPITAL FOUNDATION	43,280.
PENSION CURTAILMENT GAIN	5,482,615.

Part XIV Supplemental Information (continued)

MEDICAL STAFF ACCOUNT	40,836.
TOTAL TO SCHEDULE D, PART XI, LINE 8	-6,452,697.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

OTHER ALLOWANCES	-173,210.
------------------	-----------

PART XII, LINE 4B - OTHER ADJUSTMENTS:

ALLOWANCE	104,777,915.
AUXILIARY REVENUE	84,187.
CHARITY CARE	192,533.
PASSTHROUGH INCOME	-1,545.
OTHER EXPENSES NETTED FROM REVENUE	1,438,800.
REVENUE/EXPENSE RECLASS	6,194.
GAIN ON SALE OF ASSETS	20,568.
MEDICAL STAFF ACCOUNT REVENUE	29,680.
TOTAL TO SCHEDULE D, PART XII, LINE 4B	106,548,332.

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

GAIN ON SALE OF ASSETS	-20,568.
------------------------	----------

PART XIII, LINE 4B - OTHER ADJUSTMENTS:

ALLOWANCE	104,777,915.
AUXILIARY EXPENSE	87,834.
CHARITY CARE	192,533.
OTHER EXPENSES NETTED FROM REVENUE	1,438,800.
OTHER ALLOWANCES	173,210.
REVENUE/EXPENSE RECLASS	6,194.
MEDICAL STAFF ACCOUNT EXPENSE	24,890.

Part XIV **Supplemental Information** *(continued)*

TOTAL TO SCHEDULE D, PART XIII, LINE 4B

106,701,376.

Department of the Treasury
Internal Revenue Service

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

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

Name of the organization

Employer identification number
06-0646741

THE MILFORD HOSPITAL, INC.

06-0646741

Part I

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

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a <input type="checkbox"/> Mail solicitations	e <input type="checkbox"/> Solicitation of non-government grants
b <input type="checkbox"/> Internet and email solicitations	f <input type="checkbox"/> Solicitation of government grants
c <input type="checkbox"/> Phone solicitations	g <input type="checkbox"/> Special fundraising events
d <input type="checkbox"/> In-person solicitations	

2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

Total

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

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

	(a) Event #1 GALA DINNER DANCE (event type)	(b) Event #2 CELEBRATION OF TREES (event type)	(c) Other events 11 (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1 Gross receipts	22,600.	15,295.	28,868.
				66,763.
	2 Less: Charitable contributions			
	3 Gross income (line 1 minus line 2)	22,600.	15,295.	28,868.
				66,763.
Direct Expenses	4 Cash prizes			
	5 Noncash prizes			
	6 Rent/facility costs			
	7 Food and beverages			
	8 Entertainment			
	9 Other direct expenses	14,821.	1,322.	11,873.
				28,016.
	10 Direct expense summary. Add lines 4 through 9 in column (d)			► (28,016,)
	11 Net income summary. Combine line 3, column (d), and line 10			► 38,747.

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

	(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue			
Direct Expenses	2 Cash prizes			
	3 Noncash prizes			
	4 Rent/facility costs			
	5 Other direct expenses			
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
	7 Direct expense summary. Add lines 2 through 5 in column (d)			► ()
	8 Net gaming income summary. Combine line 1, column d, and line 7			►

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? _____ Yes No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? _____ Yes No

b If "Yes," explain: _____

11 Does the organization operate gaming activities with nonmembers? Yes No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No

13 Indicate the percentage of gaming activity operated in:

13a	%
13b	%

a The organization's facility
 b An outside facility

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ► _____

Address ► _____

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

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

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

Name ► _____

Address ► _____

16 Gaming manager information:

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

Director/officer Employee Independent contractor

17 Mandatory distributions:

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

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

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

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

OMB No. 1545-0047

2011

Open to Public
Inspection

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number
06-0646741

Part I Financial Assistance and Certain Other Community Benefits at Cost

1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a
 b If "Yes," was it a written policy? 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.
 Applied uniformly to all hospital facilities Applied uniformly to most hospital facilities
 Generally tailored to individual hospital facilities

2 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) to determine eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:
 100% 150% 200% Other 250 %

b Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:
 200% 250% 300% 350% 400% Other %

c If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria 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, to determine 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"?
 5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?
 b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?
 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?
 b If "Yes," did the organization make it available to the public?

	Yes	No
1a	X	
1b	X	
3a	X	
3b	X	
4	X	
5a	X	
5b		X
5c		
6a		X
6b		

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

7 Financial Assistance and Certain Other Community Benefits at Cost

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)		75	101,878.	49,142.	52,736.	.03%
b Medicaid (from Worksheet 3, column a)		4,141	5536024.	5435976.	100,048.	.05%
c Costs of other means-tested government programs (from Worksheet 3, column b)		6,913	5083429.	5134449.	-51,020.	.00%
d Total Financial Assistance and Means-Tested Government Programs	11,129	10721331.	10619567.		101,764.	.08%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	41	90,099	60,296.	8,554.	51,742.	.03%
f Health professions education (from Worksheet 5)	5	131	471,374.		471,374.	.24%
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)	4		81,040.		81,040.	.04%
j Total. Other Benefits	50	90,230	612,710.	8,554.	604,156.	.31%
k Total. Add lines 7d and 7j	50	101,359	11334041.	10628121.	705,920.	.39%

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			59,459.		59,459.	.03%
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total			59,459.		59,459.	.03%

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?

2 Enter the amount of the organization's bad debt expense **2** **7,028,914.**

3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy **3**

4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	19,981,074.
6	Enter Medicare allowable costs of care relating to payments on line 5	6	29,439,419.
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-9,458,345.
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit.		

Check the box that describes the method used:

Check the box that describes the method used:

Section C: Collection Practices

9a Did the organization have a written debt collection policy during the tax year?

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

Part IV Management Companies and Joint Ventures (see instructions)

Part V Facility Information

Section A. Hospital Facilities

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

How many hospital facilities did the organization operate during the tax year? **2**

Part V Facility Information (continued)**Section B. Facility Policies and Practices**

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: THE MILFORD HOSPITAL, INC.Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)			
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8		
	If "Yes," indicate what the Needs Assessment describes (check all that apply):		
a	<input type="checkbox"/> A definition of the community served by the hospital facility		
b	<input type="checkbox"/> Demographics of the community		
c	<input 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 type="checkbox"/> How data was obtained		
e	<input type="checkbox"/> The health needs of the community		
f	<input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	<input type="checkbox"/> Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 _____		
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted		
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI		
5	Did the hospital facility make its Needs Assessment widely available to the public?		
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):		
a	<input type="checkbox"/> Hospital facility's website		
b	<input type="checkbox"/> Available upon request from the hospital facility		
c	<input type="checkbox"/> Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):		
a	<input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community		
b	<input type="checkbox"/> Execution of the implementation strategy		
c	<input type="checkbox"/> Participation in the development of a community-wide community benefit plan		
d	<input type="checkbox"/> Participation in the execution of a community-wide community benefit plan		
e	<input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f	<input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the Needs Assessment		
g	<input type="checkbox"/> Prioritization of health needs in its community		
h	<input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	<input type="checkbox"/> Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs		
8	Did the hospital facility have in place during the tax year a written financial assistance policy that:		
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?		
	If "Yes," indicate the FPG family income limit for eligibility for free care: <u>250</u> %		
	If "No," explain in Part VI the criteria the hospital facility used.		

Part V Facility Information (continued) THE MILFORD HOSPITAL, INC.

	Yes	No
10 Used FPG to determine eligibility for providing <i>discounted</i> care?	10	X
If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>400</u> %		
If "No," explain in Part VI the criteria the hospital facility used.		
11 Explained the basis for calculating amounts charged to patients?	11	X
If "Yes," indicate the factors used in determining such amounts (check all that apply):		
a <input checked="" type="checkbox"/> Income level		
b <input checked="" type="checkbox"/> Asset level		
c <input type="checkbox"/> Medical indigency		
d <input type="checkbox"/> Insurance status		
e <input type="checkbox"/> Uninsured discount		
f <input type="checkbox"/> Medicaid/Medicare		
g <input type="checkbox"/> State regulation		
h <input type="checkbox"/> Other (describe in Part VI)		
12 Explained the method for applying for financial assistance?	12	X
13 Included measures to publicize the policy within the community served by the hospital facility?	13	X
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input type="checkbox"/> The policy was posted on the hospital facility's website		
b <input type="checkbox"/> The policy was attached to billing invoices		
c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f <input checked="" type="checkbox"/> The policy was available on request		
g <input checked="" type="checkbox"/> Other (describe in Part VI)		
Billing and Collections		
14 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 actions the hospital facility may take upon non-payment?	14	X
15 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 patient's eligibility under the facility's FAP:		
a <input type="checkbox"/> Reporting to credit agency		
b <input type="checkbox"/> Lawsuits		
c <input type="checkbox"/> Liens on residences		
d <input type="checkbox"/> Body attachments		
e <input type="checkbox"/> Other similar actions (describe in Part VI)		
16 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16	X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
a <input type="checkbox"/> Reporting to credit agency		
b <input type="checkbox"/> Lawsuits		
c <input type="checkbox"/> Liens on residences		
d <input type="checkbox"/> Body attachments		
e <input type="checkbox"/> Other similar actions (describe in Part VI)		
17 Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply):		
a <input type="checkbox"/> Notified patients of the financial assistance policy on admission		
b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge		
c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills		
d <input type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy		
e <input type="checkbox"/> Other (describe in Part VI)		

Part V Facility Information (continued) THE MILFORD HOSPITAL, INC.

Policy Relating to Emergency Medical Care

18 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires 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?

If "No," indicate why:

- a The hospital facility did not provide care for any emergency medical conditions
- b The hospital facility's policy was not in writing
- c The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d Other (describe in Part VI)

	Yes	No
18	X	

Individuals Eligible for Financial Assistance

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

- a The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d Other (describe in Part VI)

20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?

If "Yes," explain in Part VI.

21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient?

If "Yes," explain in Part VI.

20		X
21		X

Part V Facility Information (continued)**Section B. Facility Policies and Practices**

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: THE MILFORD HOSPITAL WALK-IN CENTERLine Number of Hospital Facility (from Schedule H, Part V, Section A): 2

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)			
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8		
	If "Yes," indicate what the Needs Assessment describes (check all that apply):		
a	<input type="checkbox"/> A definition of the community served by the hospital facility		
b	<input type="checkbox"/> Demographics of the community		
c	<input 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 type="checkbox"/> How data was obtained		
e	<input type="checkbox"/> The health needs of the community		
f	<input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	<input type="checkbox"/> Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 _____		
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted		
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI		
5	Did the hospital facility make its Needs Assessment widely available to the public?		
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):		
a	<input type="checkbox"/> Hospital facility's website		
b	<input type="checkbox"/> Available upon request from the hospital facility		
c	<input type="checkbox"/> Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):		
a	<input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community		
b	<input type="checkbox"/> Execution of the implementation strategy		
c	<input type="checkbox"/> Participation in the development of a community-wide community benefit plan		
d	<input type="checkbox"/> Participation in the execution of a community-wide community benefit plan		
e	<input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f	<input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the Needs Assessment		
g	<input type="checkbox"/> Prioritization of health needs in its community		
h	<input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	<input type="checkbox"/> Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs		
8	Did the hospital facility have in place during the tax year a written financial assistance policy that:		
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?		
	If "Yes," indicate the FPG family income limit for eligibility for free care: <u>250</u> %		
	If "No," explain in Part VI the criteria the hospital facility used.		

Part V Facility Information (continued) THE MILFORD HOSPITAL WALK-IN CENTER

	Yes	No
10 Used FPG to determine eligibility for providing <i>discounted</i> care?	10	X
If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>400</u> %		
If "No," explain in Part VI the criteria the hospital facility used.		
11 Explained the basis for calculating amounts charged to patients?	11	X
If "Yes," indicate the factors used in determining such amounts (check all that apply):		
a <input checked="" type="checkbox"/> Income level		
b <input checked="" type="checkbox"/> Asset level		
c <input type="checkbox"/> Medical indigency		
d <input type="checkbox"/> Insurance status		
e <input type="checkbox"/> Uninsured discount		
f <input type="checkbox"/> Medicaid/Medicare		
g <input type="checkbox"/> State regulation		
h <input type="checkbox"/> Other (describe in Part VI)		
12 Explained the method for applying for financial assistance?	12	X
13 Included measures to publicize the policy within the community served by the hospital facility?	13	X
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input type="checkbox"/> The policy was posted on the hospital facility's website		
b <input type="checkbox"/> The policy was attached to billing invoices		
c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f <input checked="" type="checkbox"/> The policy was available on request		
g <input checked="" type="checkbox"/> Other (describe in Part VI)		
Billing and Collections		
14 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 actions the hospital facility may take upon non-payment?	14	X
15 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 patient's eligibility under the facility's FAP:		
a <input type="checkbox"/> Reporting to credit agency		
b <input type="checkbox"/> Lawsuits		
c <input type="checkbox"/> Liens on residences		
d <input type="checkbox"/> Body attachments		
e <input type="checkbox"/> Other similar actions (describe in Part VI)		
16 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16	X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
a <input type="checkbox"/> Reporting to credit agency		
b <input type="checkbox"/> Lawsuits		
c <input type="checkbox"/> Liens on residences		
d <input type="checkbox"/> Body attachments		
e <input type="checkbox"/> Other similar actions (describe in Part VI)		
17 Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply):		
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b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge		
c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills		
d <input type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy		
e <input type="checkbox"/> Other (describe in Part VI)		

Part V Facility Information (continued) THE MILFORD HOSPITAL WALK-IN CENTER

Policy Relating to Emergency Medical Care

18 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires 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?

	Yes	No
18	X	

If "No," indicate why:

- a The hospital facility did not provide care for any emergency medical conditions
- b The hospital facility's policy was not in writing
- c The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d Other (describe in Part VI)

Individuals Eligible for Financial Assistance

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

- a The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d Other (describe in Part VI)

20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?

If "Yes," explain in Part VI.

21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient?

If "Yes," explain in Part VI.

132096 01-23-12

Schedule H (Form 990) 2011

Part V Facility Information (continued)

Section C. 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? 0

132097 01-23-12

Schedule H (Form 990) 2011

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 3C: N/A

PART II: MILFORD HOSPITAL PROVIDES EMERGENCY PREPAREDNESS

**TRAINING AND DISASTER PLANNING FOR THE HOSPITAL AND THE COMMUNITY IT
SERVES.**

**PART III, LINE 4: TEXT OF THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL
STATEMENTS THAT DESCRIBEDS BAD DEBT EXPENSE:**

**PATIENT ACCOUNTS RECEIVABLE RESULT FROM THE HEALTH CARE SERVICES
PROVIDED BY THE HOSPITAL. ADDITIONS TO THE ALLOWANCE FOR UNCOLLECTIBLE
ACCOUNTS RESULT FROM THE PROVISION FOR UNCOLLECTIBLE ACCOUNTS. ACCOUNTS
WRITTEN OFF AS UNCOLLECTIBLE ARE DEDUCTED FROM THE ALLOWANCE FOR
UNCOLLECTIBLE ACCOUNTS. THE AMOUNT OF THE ALLOWANCE FOR UNCOLLECTIBLE
ACCOUNTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED
NET COLLECTIONS, BUSINESS AND ECONOMIC CONDITIONS, TRENDS IN MEDICARE AND
MEDICAID HEALTH CARE COVERAGE AND OTHER COLLECTION INDICATORS.**

**COSTING METHODOLOGY USED IN DETERMINING THE AMOUNT REPORTED ON LINES 2 AND
3:**

Part VI Supplemental Information

THE CALCULATION OF THE HOSPITAL'S RCC WAS DERIVED FROM WORKSHEET 2 OF THE FORM 990 INSTRUCTIONS.

RATIONALE FOR INCLUDING A PORTION OF BAD DEBT AMOUNTS AS COMMUNITY BENEFIT:

THE HOSPITAL DOES NOT RECEIVE PAYMENTS FOR HEALTHCARE SERVICES PROVIDED TO UNINSURED INDIVIDUALS IN THE MILFORD COMMUNITY. INDIVIDUAL MEMBERS OF THE COMMUNITY ARE BENEFITTING FROM GETTING HEALTHCARE SERVICES AT NO COST TO THEM.

PART III, LINE 8: THE HOSPITAL'S COSTS EXCEED REVENUE RECEIVED FROM CMS FOR MEDICARE PATIENTS BY APPROXIMATELY \$8.6M. THE COSTS WERE DERIVED FROM THE MEDICARE COST REPORT.

PART III, LINE 9B: THE HOSPITAL HAS POLICIES AND PROCEDURES TO ASSIST COLLECTION PERSONNEL IN DETERMINING A PATIENT'S ELIGIBILITY FOR FINANCIAL ASSISTANCE WHO HAVE NO INSURANCE AND MEET SPECIFIC INCOME THRESHOLDS BASED ON THE POVERTY GUIDELINES.

THE MILFORD HOSPITAL, INC.:

PART V, SECTION B, LINE 13G:

A SUMMARY OF THE FINANCIAL ASSISTANCE POLICY IS ATTACHED TO THE BILLING INVOICES.

A NOTICE IS POSTED IN THE EMERGENCY ROOM AND THE ADMITTING DEPARTMENTS INFORMING PATIENT OF THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY AND CONTACT INFORMATION.

Part VI Supplemental Information

THE MILFORD HOSPITAL WALK-IN CENTER:

PART V, SECTION B, LINE 13G:

A SUMMARY OF THE FINANCIAL ASSISTANCE POLICY IS ATTACHED TO THE BILLING INVOICES.

A NOTICE IS POSTED IN THE EMERGENCY ROOM AND THE ADMITTING DEPARTMENTS INFORMING PATIENT OF THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY AND CONTACT INFORMATION.

PART VI, LINE 2: MILFORD HOSPITAL SENDS OUT COMMUNITY NEEDS ASSESSMENT SURVEYS TO ASSESS COMMUNITY ORGANIZATION NEEDS AND WORKS WITH INDIVIDUALS TO ASSESS SCHOOL AND EDUCATION NEEDS.

PART VI, LINE 3: NOTIFICATION OF THE AVAILABILITY OF FINANCIAL ASSISTANCE IS POSTED BY THE HOSPITAL IN BOTH ENGLISH AND SPANISH IN THE FOLLOWING LOCATIONS: ADMITTING, EMERGENCY DEPARTMENT, BILLING AND CREDIT COLLECTIONS AND SOCIAL SERVICES.

PART VI, LINE 4: MILFORD, CT IS A SMALL CITY OF APPROXIMATELY 50,000 PEOPLE LOCATED ON LONG ISLAND SOUND. THE ECONOMY IS DIVERSIFIED AND SUPPORTS MANUFACTURING, RETAIL, CORPORATE OFFICE AND SERVICE INDUSTRY.

THE HOSPITAL IS LOCATED IN CLOSE PROXIMITY TO THE TOWN GREEN, THE SECOND LARGEST IN NEW ENGLAND. MILFORD HAS A STRONG RETAIL COMMUNITY, INCLUDING A MALL AND MANY SHOPS AND RETAIL OUTLETS. PARTICIPANTS IN COMMUNITY PROGRAMS ALSO COME FROM ORANGE, WEST HAVEN, AND STRATFORD.

Part VI Supplemental Information

PART VI, LINE 5: MILFORD HOSPITAL PROVIDES EMERGENCY PREPAREDNESS TRAINING AND DISASTER PLANNING FOR THE HOSPITAL AND THE COMMUNITY IT SERVES. PROVIDES COMMUNITY HEALTH & WELLNESS PROGRAMS AND EDUCATIONAL SERVICES TO OVER 8,000 INDIVIDUALS. PROVIDES PROFESSIONAL EDUCATION AND TRAINING TO MEDICAL STAFF AND SOCIAL SERVICE ORGANIZATIONS WITHIN THE COMMUNITY. HOSPITAL REPRESENTATIVES PARTICIPATED IN COMMUNITY BOARDS AND COALITIONS.

PART VI, LINE 6: N/A

PART VI, LINE 7: THE COMMUNITY BENEFIT REPORT IS FILED WITH THE CONNECTICUT HOSPITAL ASSOCIATION.

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

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

OMB No. 1545-0047

2011

Open to Public
Inspection

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

► Attach to Form 990.

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number
06-0646741

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed. ►

(1) (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
MILFORD HOSPITAL FOUNDATION VIA M.H. WAYS & MEANS - 300 SEASIDE AVENUE - MILFORD, CT 06460	22-2627350	501(C)(3)	32,464.	0.	BOOK	N/A	CHARITABLE
MILFORD HOSPITAL FOUNDATION VIA M.H. HOSPITALITY SHOP - 300 SEASIDE AVENUE - MILFORD, CT 06460	22-2627350	501(C)(3)	48,000.	0.	BOOK	N/A	CHARITABLE

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

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

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

Schedule I (Form 990) (2011)

Part III

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
SCHOLARSHIPS AWARDED TO JUNIOR VOLUNTEERS FOR HIGHER EDUCATION	4	1,000.	0.	BOOK	N/A
SCHOLARSHIPS	2	2,000.	0.	BOOK	N/A

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART I, LINE 2: HOSPITAL ADMINISTRATION MONITORS THE USE OF

GRANT FUNDS BY REQUIRING A CAPITAL EQUIPMENT REQUEST (CER) AND A REQUEST

FOR PAYMENT BE COMPLETED BEFORE FUNDS ARE RELEASED. ALL CERS MUST BE

APPROVED BY THE CEO AND CFO OF THE HOSPITAL. THE REQUEST FOR PAYMENT IS

APPROVED BY THE DIRECTOR OF THE FOUNDATION AND THE CFO OF THE HOSPITAL.

Compensation Information

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

- Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
- Attach to Form 990. ► See separate instructions.

2011

Open to Public Inspection

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number
06-0646741

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 in 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 (e.g., maid, chauffeur, chef)

Yes No

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 officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing 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. Explain in Part III.

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

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

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

4a X

4b X

4c X

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

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

- a** The organization?
- b** Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

5a X

5b X

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

- a** The organization?
- b** Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

6a X

6b X

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

7 X

8 Were any amounts reported in 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

8 X

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

9

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

Schedule J (Form 990) 2011

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 in 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 are not 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	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 JOSEPH PELACCIA	(i)	409,000.	0.	0.	10,168.	6,059.	425,227.	0.
	(ii)	51,248.	0.	0.	1,274.	759.	53,281.	0.
2 LAURA SMITH	(i)	124,735.	0.	0.	6,847.	14,522.	146,104.	0.
	(ii)	28,388.	0.	0.	1,136.	2,408.	31,932.	0.
3 LLOYD FRIEDMAN, MD	(i)	372,178.	0.	0.	10,167.	15,142.	397,487.	0.
	(ii)	46,634.	0.	0.	1,274.	1,897.	49,805.	0.
4 ANDREW CHOW	(i)	308,834.	0.	0.	12,250.	18,243.	339,327.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 WILLIAM SACKS, MD	(i)	305,138.	0.	0.	12,250.	0.	317,388.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 ANITHA KAMATH	(i)	297,750.	0.	0.	12,250.	18,243.	328,243.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 GEORGE REESE	(i)	293,135.	0.	0.	12,250.	18,243.	323,628.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 RESUL DALIPI	(i)	291,585.	0.	0.	12,250.	12,458.	316,293.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III | Supplemental Information

Complete this part to 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 4B: JOSEPH PELACCIA, LAURA SMITH AND LLOYD FRIEDMAN

PARTICIPATED IN A SUPPLEMENTAL RETIREMENT PLAN.

SCHEDULE L
(Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No. 1545-0047

2011

Open To Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer identification number
06-0646741

THE MILFORD HOSPITAL, INC.

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) 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) Description of transaction	(c) Corrected?	
			Yes	No

2 Enter the amount of tax imposed on 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, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

Total ► \$

Part III Grants or Assistance Benefiting Interested Persons.

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

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

Schedule L (Form 990 or 990-EZ) 2011

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
LOUIS D'AMATO	VICE CHAIRMAN	74,464.	THE HOSPITAL RENTS	X	
DR. LLOYD FRIEDMAN	VP - MEDICAL AFFAIRS	70,526.	DR. FRIEDMAN	X	
LEN NAPOLI, JR.	DIRECTOR	5,021.	LEN NAPOLI	X	
JOSEPH PELACCIA	PRESIDENT & CEO	0.	JOSEPH PELACCIA	X	
SAMUEL BERGAMI, JR.	CHAIRMAN	0.	SAMUEL BERGAMI	X	
LOUIS D'AMATO	DIRECTOR	0.	LOUIS D'AMATO	X	
JAMES BEARD	DIRECTOR	0.	JAMES BEARD	X	
JOSEPH PELACCIA	PRESIDENT & CEO	0.	MARCUM LLP	X	
LEO CARROLL	DIRECTOR	0.	LEO CARROLL	X	
CAROL MCINNIS	DIRECTOR	0.	CAROL MCINNIS	X	

Part V Supplemental Information

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

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:**(A) NAME OF PERSON: LOUIS D'AMATO****(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:**

VICE CHAIRMAN

(C) AMOUNT OF TRANSACTION \$ 74,464.**(D) DESCRIPTION OF TRANSACTION: THE HOSPITAL RENTS STORAGE SPACE OF \$37,510 AND ALSO RENTS I-95 BILLBOARD OF \$36,954 FROM MR. D'AMATO.****(E) SHARING OF ORGANIZATION REVENUES? = NO****(A) NAME OF PERSON: DR. LLOYD FRIEDMAN****(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:**

VP - MEDICAL AFFAIRS & COO

(C) AMOUNT OF TRANSACTION \$ 70,526.**(D) DESCRIPTION OF TRANSACTION: DR. FRIEDMAN IS A SCIENTIFIC ADVISOR AND SHAREHOLDER IN CARDIOPULMONARY CORP. THE HOSPITAL DOES BUSINESS WITH CARDIOPULMONARY CORP.****(E) SHARING OF ORGANIZATION REVENUES? = NO****(A) NAME OF PERSON: LEN NAPOLI, JR.****(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:**

Part V Supplemental Information

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

DIRECTOR

(C) AMOUNT OF TRANSACTION \$ 5,021.

(D) DESCRIPTION OF TRANSACTION: LEN NAPOLI IS AN OWNER OF NAPOLI MOTORS AND PERFORMED AUTO SALES, SERVICE AND MAINTENANCE TO HOSPITAL VEHICLES IN THE AMOUNT OF \$5,021 FOR FISCAL YEAR ENDING SEPTEMBER 30, 2012.

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: JOSEPH PELACCIA

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

PRESIDENT & CEO

(C) AMOUNT OF TRANSACTION \$ -0-

(D) DESCRIPTION OF TRANSACTION: JOSEPH PELACCIA IS A BOARD MEMBER OF THE MILFORD BANK. THE HOSPITAL DOES BUSINESS WITH MILFORD BANK.

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: SAMUEL BERGAMI, JR.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

CHAIRMAN

(C) AMOUNT OF TRANSACTION \$ -0-

(D) DESCRIPTION OF TRANSACTION: SAMUEL BERGAMI, JR. IS A BOARD MEMBER OF THE MILFORD BANK. THE HOSPITAL DOES BUSINESS WITH MILFORD BANK.

(E) SHARING OF ORGANIZATION REVENUES? = NO

(A) NAME OF PERSON: LOUIS D'AMATO

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

DIRECTOR

(C) AMOUNT OF TRANSACTION \$ -0-

(D) DESCRIPTION OF TRANSACTION: LOUIS D'AMATO IS A BOARD MEMBER OF THE

132461
05-01-11

Schedule L (Form 990 or 990-EZ) 2011

Part V Supplemental Information

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

MILFORD BANK. THE HOSPITAL DOES BUSINESS WITH MILFORD BANK.**(E) SHARING OF ORGANIZATION REVENUES? = NO****(A) NAME OF PERSON: JAMES BEARD****(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:**

DIRECTOR

(C) AMOUNT OF TRANSACTION \$ -0-**(D) DESCRIPTION OF TRANSACTION: JAMES BEARD IS A BOARD MEMBER OF THE MILFORD BANK. THE HOSPITAL DOES BUSINESS WITH MILFORD BANK.****(E) SHARING OF ORGANIZATION REVENUES? = NO****(A) NAME OF PERSON: JOSEPH PELACCIA****(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:**

PRESIDENT & CEO

(C) AMOUNT OF TRANSACTION \$ -0-**(D) DESCRIPTION OF TRANSACTION: MARCUM LLP PROVIDES TAX SERVICES FOR MILFORD HOSPITAL. JOSEPH PELACCIA'S SON IS EMPLOYED BY MARCUM LLP BUT IS NOT INVOLVED IN ANY OF THE MILFORD HOSPITAL TAX WORK.****(E) SHARING OF ORGANIZATION REVENUES? = NO****(A) NAME OF PERSON: LEO CARROLL****(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:**

DIRECTOR

(C) AMOUNT OF TRANSACTION \$ -0-**(D) DESCRIPTION OF TRANSACTION: LEO CARROLL IS A BOARD MEMBER OF THE MILFORD BANK. THE HOSPITAL DOES BUSINESS WITH MILFORD BANK.****(E) SHARING OF ORGANIZATION REVENUES? = NO**

Part V Supplemental Information

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

(A) NAME OF PERSON: CAROL MCINNIS

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

DIRECTOR

(C) AMOUNT OF TRANSACTION \$ -0-

(D) DESCRIPTION OF TRANSACTION: CAROL MCINNIS IS A BOARD MEMBER OF THE
MILFORD BANK. THE HOSPITAL DOES BUSINESS WITH MILFORD BANK.

(E) SHARING OF ORGANIZATION REVENUES? = NO

Supplemental Information to Form 990 or 990-EZ

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

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number
06-0646741

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

COMPASSION.

**AS A COMMUNITY HEALTHCARE PROVIDER, MILFORD HOSPITAL IS COMMITTED TO
REMAINING IN THE FOREFRONT OF THE CLINICAL, TECHNOLOGICAL, AND
ELECTRONIC INFORMATION ADVANCES THAT MAKE THE CONTINUOUS DELIVERY OF
HIGH-QUALITY, COST-EFFECTIVE HEALTHCARE SERVICES POSSIBLE.**

**MILFORD HOSPITAL RECOGNIZES THAT THE QUALITY OF HUMAN RESOURCES -
STAFF, PHYSICIANS AND VOLUNTEERS - IS THE KEY TO CONTINUED SUCCESS AND
THEREFORE STRIVES TO CREATE AN ENVIRONMENT OF TEAMWORK AND
PARTICIPATION WHERE, THROUGH CONTINUOUS QUALITY IMPROVEMENT AND A FOCUS
ON PATIENT SAFETY, PEOPLE PURSUE EXCELLENCE AND TAKE PRIDE IN THE
QUALITY OF THEIR WORK IN THE ORGANIZATION.**

**MILFORD HOSPITAL ENGAGES IN A WIDE RANGE OF HEALTH EDUCATIONAL
ACTIVITIES DESIGNED TO MEET THE EDUCATIONAL NEEDS OF PATIENTS, STAFF,
PHYSICIANS AND THE COMMUNITY.**

FORM 990, PART III, LINE 4A, DESCRIPTION OF PROGRAM SERVICE:

**AS A COMMUNITY HEALTHCARE PROVIDER, MILFORD HOSPITAL IS COMMITTED TO
THOSE WE SERVE, BOTH PATIENTS AND NON-PATIENTS. OUR GOAL IS NOT ONLY
TO PROVIDE QUALITY COMPASSIONATE CARE WHEN AN INDIVIDUAL ENTERS OUR
HEALTHCARE INSTITUTION, BUT ALSO TO PROMOTE AND COMMUNICATE WELLNESS
INFORMATION AND EDUCATION SO THAT FAMILIES IN OUR AREA CAN KEEP FROM
BECOMING ILL AND LEAD HEALTHIER LIVES.**

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

DURING THE PAST YEAR, OUR SERVICE ACCOMPLISHMENTS IN THE COMMUNITY CONTINUED TO GROW. THE DEPARTMENT OF EDUCATION CONTINUES TO PROVIDE A MONTHLY HEALTH EDUCATION ARTICLE FOR THE MILFORD SENIOR CENTER NEWSLETTER. THE DEPARTMENT ALSO PROVIDES FREE SMOKING CESSATION AND SMOKING PREVENTION PROGRAMS TO MILFORD PUBLIC AND PAROCHIAL SCHOOLS.

A COMMUNITY EDUCATION SCHEDULE IS PUBLISHED AND DISTRIBUTED TWICE A YEAR.

OUR HEALTH EDUCATION PROGRAMS REACHED OVER 8,000 INDIVIDUALS. THE FOLLOWING HEALTH AND WELLNESS PROGRAMS WERE OFFERED AT MILFORD HOSPITAL.

- LOSING WEIGHT THE LAP-BAND WAY
- TEA TALK - MEAN GIRLS
- WHAT EVERY WOMAN WANTS TO KNOW
- MOVE FOR YOUR HEART - ZUMBA
- YOGA
- THE DIABETIC EYE
- THE POWER OF SPIRITUAL PRAYER
- ELDER CARE LAWS
- FREEDOM FROM SMOKING
- ATTENTION ALL MEN: KNOW YOUR NUMBERS
- WOMEN LIVING WELL - TIMELESS BEAUTY - FINDING YOUR INNER BEAUTY
- STRESSED OUT - SIMPLE SANITY SECRETS
- MOTHER/DAUGHTER PUBERTY CLASSES
- ACUPUNCTURE
- YOUR PREVENTATIVE HEALTH CHECKLIST

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

- STRENGTH TRAINING WITH RESISTANCE BANDS

CHILDBIRTH EDUCATION:

1. PREPARED CHILDBIRTH CLASSES (LAMAZE)
2. BREASTFEEDING
3. BIG BROTHERS & SISTERS
4. YOUNG PARENT PROGRAM

SCREENING PROGRAMS WERE HELD FOR:

1. BLOOD PRESSURE
2. BLOOD SUGAR (DIABETES)
3. CHOLESTEROL (TOTAL AND HDL)
4. PROSTATE CANCER

WE ALSO PROVIDE THE FOLLOWING SUPPORT GROUPS ON A REGULARLY SCHEDULED**BASIS:**

- ALZHEIMER'S SUPPORT GROUP
- MULTIPLE SCLEROSIS SUPPORT GROUP
- LUPUS
- BREAST CANCER
- EPILEPSY
- CARING NETWORK GRIEVING SUPPORT
- STRONGER TOGETHER

MILFORD HOSPITAL OFFERS CORPORATE SCREENINGS TO LOCAL BUSINESSES.**THESE WERE PROVIDED AT THEIR PLACE OF BUSINESS AND INCLUDED,****CHOLESTEROL, BLOOD PRESSURE, BLOOD SUGAR AND NUTRITIONAL COUNSELING.**

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

- MILFORD SENIOR CENTER
- MILFORD POLICE DEPARTMENT
- BIC CORPORATION, MAIN BUILDING
- BIC CORPORATION, BUILDING 5
- THE EDGE - FITNESS CENTER
- REGIONAL WATER AUTHORITY
- DRILL MASTERS

SPECIAL EVENTS AND SERVICES

- THE HOSPITAL PROVIDES LITERACY PROGRAMS: BOOKS FOR BABIES AND BIRTHDAY BOOKS FOR BABIES PROGRAM IN COORDINATION WITH THE LITERACY CENTER OF MILFORD; PROVIDES PREGNANCY EDUCATION FOR BIANNUAL "BABY SHOWER" SPONSORED BY J.C.PENNY CO.; AND, PARTICIPATES IN FUNDRAISERS, COMMUNITY EDUCATION PROGRAMS, AND ANNUAL FAIR FOR KIDS COUNT 12345.

- THE HOSPITAL HOSTS MONTHLY LALECHE MEETING, PROVIDES REFRESHMENTS, AND HOSTS THE ANNUAL WORLD WIDE WALK FOR BREASTFEEDING, SPONSORED BY THE LALECHE LEAGUE OF MILFORD.

- MILFORD HOSPITAL'S EDUCATION DEPARTMENT SPONSORS AN ANNUAL "CAREERS TO YOUR HEALTH FAIR" FOR MILFORD HIGH SCHOOL STUDENTS. IT IS A TABLETOP HEALTH AND CAREER INFORMATION FAIR TO INTRODUCE THE STUDENTS TO A VARIETY OF HEALTH CAREERS ALONG WITH SPECIFIC HEALTH INFORMATION.

- MILFORD HOSPITAL OFFERS A "TEA TALK" PROGRAM. THIS IS A FREE INFORMATIVE TALK FOR MOTHERS AND DAUGHTERS (AGES 11-14) ON ADOLESCENT

132212
01-23-12

Schedule O (Form 990 or 990-EZ) (2011)

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

ISSUES AND CONCERNS. "TEA TALK" IS AN ANNUAL EVENT HELD EACH SPRING.

- MILFORD HOSPITAL OFFERS A "WOMEN LIVING WELL" PROGRAM. THIS IS A FREE INFORMATIVE TALK FOR WOMEN ON HEALTH AND WELLNESS ISSUES AND CONCERNS. "WOMEN LIVING WELL" IS AN ANNUAL EVENT.

- MILFORD HOSPITAL PARTICIPATES IN A LOCAL CABLE TALK SHOW "HEALTH FROM THE HILL" AS A GUEST ON HEALTH AND WELLNESS TOPICS.

- MILFORD HOSPITAL SPONSORS AND MAINTAINS A SPEAKERS BUREAU, WHICH PROVIDES PHYSICIANS AND MEMBERS OF THE HOSPITAL STAFF TO SPEAK TO LOCAL COMMUNITY ORGANIZATIONS ON A WIDE VARIETY OF TOPICS AT NO CHARGE.

- MILFORD HOSPITAL HOSTS AN ANNUAL 5K "LIVE WELL" COMMUNITY EVENT. THIS EVENT HELPS TO SPONSOR MANY OF THE COMMUNITY PROGRAMS AND SCREENINGS OFFERED BY MILFORD HOSPITAL.

- THE VOLUNTEER SERVICES DEPARTMENT SPONSORS RED CROSS BLOOD DRIVES THREE TIMES A YEAR IN THE HOSPITAL AUDITORIUM. THE GENERAL PUBLIC AS WELL AS EMPLOYEES ARE INVITED TO PARTICIPATE.

- IN COMPLIANCE WITH THE CONSENT DECREE REGARDING THE HEARING IMPAIRED, MILFORD HOSPITAL PROVIDES VARIOUS ASSISTED LISTENING DEVICES FOR THE HARD OF HEARING, INTERPRETERS, AND TTY MACHINES FOR THE DEAF, FREE OF CHARGE FOR ANY PATIENT/COMPANION.

- MILFORD HOSPITAL ALSO PROVIDES A LINGUISTIC SERVICE FOR NON-ENGLISH-SPEAKING PATIENTS. IF A LANGUAGE INTERPRETER MUST BE

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01-23-12

Schedule O (Form 990 or 990-EZ) (2011)

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

CALLED VIA A SPECIAL PHONE, THE COST OF THE CALL IS ASSUMED BY THE HOSPITAL.

- MILFORD HOSPITAL OFFERS A FREE "PHYSICIAN FINDER" TELEPHONE SERVICE FOR COMMUNITY RESIDENTS NEEDING A DOCTOR, AND PROVIDES A "DIRECTORY OF STAFF PHYSICIANS" WHICH LISTS THEIR SPECIALTY, PHONE NUMBER, AND ADDRESS.

- MILFORD HOSPITAL PROVIDES THE AVAILABILITY OF A BED (ON A TEMPORARY BASIS) FOR ANY DISABLED PERSON LEFT ALONE WHEN THEIR CARETAKER SUFFERS A MEDICAL EMERGENCY. USUALLY PERMANENT PLACEMENT IS FOUND IN THE COMMUNITY WITHIN 24 HOURS.

- MILFORD HOSPITAL PROVIDES FREE OFFICE SPACE FOR THE MILFORD YOUNG PARENT PROGRAM AND IN ADDITION, REGISTERED NURSES PARTICIPATE ON THE TEACHING STAFF.

- OUR PHARMACY DEPARTMENT COMMUNICATES WITH AND MAKES AVAILABLE TIME TO MEET WITH RESIDENTS IN OUR HOSPITAL TO REVIEW THEIR PRESCRIPTIONS AND MEDICATIONS. THIS IS DONE DURING NATIONAL PHARMACY WEEK AND IS PROMOTED IN THE LOCAL PAPERS.

- THE HOSPITAL AUDITORIUM IS MADE AVAILABLE TO HEALTH RELATED AND OTHER NOT-FOR-PROFIT COMMUNITY GROUPS IN NEED OF A MEETING ROOM.

- MILFORD HOSPITAL THROUGH ITS VOLUNTEER DEPARTMENT PROVIDES FREE COUNSELING AND MEDICARE/MEDICAID CLAIMS ASSISTANCE BY TRAINED HOSPITAL VOLUNTEERS.

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Schedule O (Form 990 or 990-EZ) (2011)

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

- MILFORD HOSPITAL, THROUGH ITS HUMAN RESOURCE DEPARTMENT PROVIDES THE MILFORD FIRE DEPARTMENT WITH FREE PHOTOS OF THEIR NEW FIREMEN SO THEY CAN MAKE ID BADGES.

- MILFORD HOSPITAL, THROUGH THE DIAGNOSTIC AND TREATMENT CENTER, HAS INITIATED A FREE FOLLOW-UP PROGRAM FOR CONGESTIVE HEART FAILURE PATIENTS TO PROVIDE EDUCATION AND CLINICAL SUPPORT.

- THE HOSPITAL ACCEPTS STUDENTS FOR TRAINING IN REGISTERED NURSING, LICENSED PRACTICAL NURSING, LABORATORY SCIENCES, DIETETIC SERVICES, PUBLIC AND COMMUNITY HEALTH, ENVIRONMENT OF CARE-EMERGENCY PREPAREDNESS AND NURSING ASSISTANT TRAINING.

- THE SOCIAL WORKERS HERE AT THE HOSPITAL PROVIDE ASSISTANCE TO PATIENTS AND THEIR FAMILIES WITH COMPLETION OF TITLE-19 APPLICATIONS, ASSISTANCE WITH CONSERVATOR APPLICATIONS, COMPLETION OF ADVANCED DIRECTIVES AND REFERRALS TO OTHER SOCIAL SERVICE AGENCIES.

- CAB VOUCHERS ARE PROVIDED TO PATIENTS AND FAMILIES THROUGH THE SOCIAL SERVICE DEPARTMENT WHEN OTHER FORMS OF TRANSPORTATION ARE NOT AVAILABLE. THE HOSPITAL HAS ALSO COVERED THE COST OF AMBULANCE TRANSPORTATION FOR UNINSURED TITLE-19 PATIENTS GOING TO DMHAS FACILITIES. SOCIAL SERVICE ALSO MAINTAINS A FUND TO PROVIDE ASSISTANCE TO PATIENTS AS NEEDED; I.E., COVER COST OF PRESCRIPTIONS, TRANSPORTATION ETC.

- THE HOSPITAL PREPARED 1,799 SANDWICHES AND 9,713 MEALS FOR "MEALS ON

132212
01-23-12

Schedule O (Form 990 or 990-EZ) (2011)

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

WHEELS" FOR AREA RESIDENTS UNABLE TO COOK MEALS FOR THEMSELVES DUE TO THEIR PHYSICAL CONDITION.

- OUR STAFF MEMBERS ALSO HELP OUR COMMUNITY IN MANY DIFFERENT WAYS.

THE HOSPITAL COVERS THE COSTS OF STAFF THAT SPEAK AT VARIOUS COMMUNITY ORGANIZATIONS, SCHOOL GROUPS, SCOUTING CLASSES, DAY CARE CENTERS, SENIOR CENTER, ETC. STAFF MEMBERS ALSO RESPOND TO REQUESTS AND QUESTIONS FROM PEOPLE IN THE COMMUNITY AND PROVIDE ASSISTANCE TO STUDENTS WITH SCHOOL PROJECTS.

MILFORD HOSPITAL SPONSORS AND MAINTAINS A SPEAKERS BUREAU, WHICH PROVIDES PHYSICIANS AND MEMBERS OF THE HOSPITAL STAFF TO SPEAK TO LOCAL COMMUNITY ORGANIZATIONS AND SCHOOLS ON A WIDE VARIETY OF TOPICS AT NO CHARGE.

THESE INCLUDE:

- WEST HAVEN HIGH SCHOOL - RN SPEAKER ON WHAT IS AN ER NURSE?
- MILFORD SENIOR CENTER - SENIOR WELLNESS
- JONATHAN LAW HIGH SCHOOL GIRLS' SOFTBALL - SELF-ESTEEM
- PLATT TECH HIGH SCHOOL - MEDICAL GRADUATION COMMENCEMENT SPEAKER
- BOYS AND GIRLS VILLAGE HEART HEALTH FOR PARENTS (INCLUDING BLOOD PRESSURES)
- LOCAL GIRL SCOUT CHAPTER - MOTHER / DAUGHTER SELF ESTEEM
- AFTER SCHOOL PROGRAM MONTHLY HEALTH SERIES (JANUARY - MAY)
- YMCA - MODERATOR FOR COMMUNITY FORUM
- CARRIAGE GREEN ASSISTED LIVING - SENIOR HEALTH AND NUTRITION
- BIC - LUNCH AND LEARN - MAKING CHANGES STICK
- HOME CARE PLUS - IN-SERVICE "READY - SET - COMMUNICATE"

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

- SENIOR CENTER - RETIRED WOMEN'S GROUP - "FINDING YOUR INNER BEAUTY"

- EZRA ACADEMY (WOODBRIDGE) - "WHAT EVERY GIRL WANTS TO KNOW"

- TANGOE - "SIMPLE SANITY SECRETS FOR STRESS"

MILFORD HOSPITAL STRONGLY SUPPORTS THE MILFORD UNITED WAY CAMPAIGN.

STAFF PARTICIPATION INCLUDES SERVING ON:

- THE BOARD OF DIRECTORS

- CAMPAIGN CABINET

- MARKETING SUB COMMITTEE

- BUDGET REVIEW AND ALLOCATIONS COMMITTEE

- WOMAN WITH UNITED VISION

MANY MEMBERS OF OUR STAFF HAVE PROFESSIONAL AFFILIATIONS WITH OTHER ORGANIZATIONS OR GROUPS, WHICH HELP OUR COMMUNITIES, MANAGE AND IMPROVE THEIR HEALTH RELATED CARE. ALL OF THE FOLLOWING ORGANIZATIONS HAVE ONE OR MORE OF MILFORD HOSPITAL EMPLOYEES ON THEIR BOARDS:

- CONNECTICUT TUBERCULOSIS ADVISORY COMMITTEE

- CONNECTICUT ASSOCIATION OF RESPIRATORY CARE

- AMERICAN LUNG ASSOCIATION

- NEW HAVEN TUBERCULOSIS COALITION

- AMERICAN HEART ASSOCIATION

- MILFORD BOARD MEMBER

- MILFORD CHAMBER OF COMMERCE

- BOARD MEMBER

- LEGISLATION ACTION COMMITTEE

- HEALTHCARE HUMAN RESOURCES ASSOCIATION

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

- MILFORD - ORANGE YMCA
- CONNECTICUT YANKEE COUNCIL - BOY SCOUTS OF AMERICA
- CONNECTICUT LEAGUE FOR NURSING
- CONNECTICUT ORGANIZATION FOR NURSE EXECUTIVES
- STATE REGIONAL PSYCHIATRIC COMMITTEE
- CATCHMENT AREA COUNCIL - PSYCHIATRIC
- AMERICAN CANCER SOCIETY
- KIDS COUNT 12345
- YOUNG PARENT PROGRAM
- AMERICAN RED CROSS
- ALZHEIMER'S ASSOCIATION
- SOCIAL SERVICE NETWORK OF MILFORD
- RAPE CRISIS CENTER
- FREE CARE FOR THE INDIGENT
- UNITED WAY OF MILFORD
- MILFORD MAYORS YOUTH FORUM
- MILFORD PREVENTION COUNCIL

IN ADDITION, MILFORD HOSPITAL TREATED:

- 3,572 PATIENTS ON AN INPATIENT BASIS
- 37,777 PATIENTS THROUGH THE EMERGENCY DEPARTMENT/WALK-IN CENTER
- 1,605 PATIENTS IN OUR AMBULATORY SURGERY SUITE

WE BELIEVE THAT THIS REPORT INDICATES A STRONG COMMITMENT BY MILFORD
 HOSPITAL AND ITS STAFF TO THE WELL-BEING OF THE COMMUNITIES WE SERVE.
 THE FUTURE OF HOSPITAL HEALTH CARE DEPENDS AS MUCH ON THE SUCCESSFUL
 PREVENTION OF ILLNESS AS DOES THE TREATMENT.

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

OUR INVESTMENT IN COMMUNITY EDUCATION, SPECIAL OUTREACH PROGRAMS,

HEALTHCARE SEMINARS, AND MEMBERSHIPS IN INDEPENDENT HEALTH

ORGANIZATIONS, ALL CONTRIBUTE TOWARD THE OVERALL WELFARE OF OUR

CITIZENRY.

FORM 990, PART VI, SECTION A, LINE 2: ATTORNEY LEO CARROLL PROVIDES LEGAL
SERVICES TO OTHER BOARD MEMBERS.

FORM 990, PART VI, SECTION B, LINE 11: IN ADDITION TO A REVIEW OF FORM 990
BY MANAGEMENT OF THE MILFORD HOSPITAL, THE RETURN IS REVIEWED BY THE
CHAIRMAN AND TREASURER OF THE BOARD ON BEHALF OF THE BOARD OF DIRECTORS.
THE RETURN IS THEN MADE AVAILABLE VIA OFFICE OUTLOOK WEB ACCESS TO EACH
BOARD MEMBER BEFORE IT'S FILED WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 12C: CONFLICT OF INTEREST STATEMENTS
ARE SENT TO OFFICERS, DIRECTORS, AND KEY EMPLOYEES ANNUALLY. THE COMPLETED
STATEMENTS ARE REVIEWED BY THE PRESIDENT.

FORM 990, PART VI, SECTION B, LINE 15: BOARD OF DIRECTORS APPROVES
COMPENSATION OF OFFICERS.

FORM 990, PART VI, SECTION C, LINE 19: THE GOVERNING DOCUMENTS, CONFLICT
OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE KEPT IN THE PRESIDENT'S
OFFICE AND ARE AVAILABLE UPON REQUEST.

FORM 990, PART VII, SECTION A:

AVERAGE HOURS PER WEEK DEVOTED TO RELATED ORGANIZATIONS:

JOSEPH PELACCIA - 5.30 HRS

132212
01-23-12

Schedule O (Form 990 or 990-EZ) (2011)

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number

06-0646741

SAMUEL BERGAMI, JR. - 0.30 HRS

LOUIS D'AMATO - 0.30 HRS

STEPHEN E. RONAI, ESQ. - 0.30 HRS

RICHARD MEISENHEIMER - 0.30 HRS

JAMES BEARD - 0.30 HRS

NANCY BENNETT - 0.30 HRS

ARMAND CANTAFIO - 0.30 HRS

LEO CARROLL - 0.30 HRS

BRADFORD GESLER - 0.30 HRS

ANN LOESCH - 0.30 HRS

CAROL MCINNIS - 0.30 HRS

LEN NAPOLI, JR. - 0.30 HRS

GARY OPIN, DMD - 0.30 HRS

RAYMOND S. OLIVER - 0.30 HRS

MICHAEL SAFFER - 0.30 HRS

RONALD SILVERBERG - 0.30 HRS

LAURA SMITH - 8.30 HRS

LLOYD FRIEDMAN, MD - 4.20 HRS

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED GAINS ON INVESTMENTS:	3,465.
PASSTHROUGH INCOME FROM CT HOSPITAL LAB NETWORK, LLC	-1,146.
PASSTHROUGH INCOME FROM HEALTH CONNECTICUT, LLC	2,691.
CHANGE IN PENSION FUND OBLIGATION	-11,309,559.
TRANSFER TO AN AFFILIATE	-711,414.
CHANGE IN EQUITY INTEREST IN MILFORD HOSPITAL FOUNDATION	43,280.
PENSION CURTAILMENT GAIN	5,482,615.
MEDICAL STAFF ACCOUNT	40,836.

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number
06-0646741

TOTAL TO FORM 990, PART XI, LINE 5

-6,449,232.

FORM 990, PART XII, LINE 2C:

THE BOARD OF DIRECTORS HAS DELEGATED ITS OVERSIGHT RESPONSIBILITY OF
THE AUDIT OF THE ORGANIZATION'S FINANCIAL STATEMENTS TO THE FINANCE,
INSURANCE AND PENSION COMMITTEE.

Related Organizations and Unrelated Partnerships

► Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
 ► Attach to Form 990. ► See separate instructions.

Name of the organization

THE MILFORD HOSPITAL, INC.

Employer identification number
06-0646741

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
MILFORD HEALTH & MEDICAL INC. - 22-2627346 300 SEASIDE AVE.	SUPPORTING ORGANIZATION	CONNECTICUT	501(C)(3)	LINE 11B, II	N/A	MILFORD HEALTH & MEDICAL	X
MILFORD, CT 06460							
MILFORD HEALTH CARE SERVICES, INC. - 22-2627353, 300 SEASIDE AVE., MILFORD, CT 06460							
MILFORD HOSPITAL FOUNDATION, INC. - 22-2627350, 300 SEASIDE AVE., MILFORD, CT 06460							
HOME CARE PLUS, INC. - 06-1044331 P O BOX 161 MILFORD, CT 06460	FUNDRAISING	CONNECTICUT	501(C)(3)	PF	MILFORD HEALTH & MEDICAL	MILFORD HEALTH & MEDICAL	X
HOME HEALTH SERVICES	CONNECTICUT	501(C)(3)	LINE 9	MILFORD HEALTH & MEDICAL	MILFORD HEALTH & MEDICAL	X	

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

Schedule R (Form 990) 2011

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

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

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

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

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

- a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b Gift, grant, or capital contribution to related organization(s)
- c Gift, grant, or capital contribution from related organization(s)
- d Loans or loan guarantees to or for related organization(s)
- e Loans or loan guarantees by related organization(s)
- f Sale of assets to related organization(s)
- g Purchase of assets from related organization(s)
- h Exchange of assets with related organization(s)
- i Lease of facilities, equipment, or other assets to related organization(s)
- j Lease of facilities, equipment, or other assets from related organization(s)
- k Performance of services or membership or fundraising solicitations for related organization(s)
- l Performance of services or membership or fundraising solicitations by related organization(s)
- m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- n Sharing of paid employees with related organization(s)
- o Reimbursement paid to related organization(s) for expenses
- p Reimbursement paid by related organization(s) for expenses
- q Other transfer of cash or property to related organization(s)
- r Other transfer of cash or property from related organization(s)

	Yes	No
1a	X	
1b	X	
1c	X	
1d	X	
1e	X	
1f	X	
1g	X	
1h	X	
1i	X	
1j	X	
1k	X	
1l	X	
1m	X	
1n	X	
1o	X	
1p	X	
1q	X	
1r	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 other organization	(b) Transaction type (a-r)	(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" to 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.

Part VII Supplemental Information

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

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ►

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions THE MILFORD HOSPITAL, INC.	Employer identification number (EIN) or 06-0646741
	Number, street, and room or suite no. If a P.O. box, see instructions. 300 SEASIDE AVENUE	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. MILFORD, CT 06460	

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

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

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

JOSEPH PELACCIA

- The books are in the care of ► **300 SEASIDE AVENUE - MILFORD, CT 06460**
Telephone No. ► **203-876-4230** FAX No. ► **(203)876-4637**
- 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 EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **AUGUST 15, 2013**.

5 For calendar year **2011**, or other tax year beginning **OCT 1, 2011**, and ending **SEP 30, 2012**.

6 If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

7 State in detail why you need the extension
ADDITIONAL TIME IS NEEDED TO GATHER INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	0.
b If this application is for Form 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 and any amount paid previously with Form 8868.	8b	\$	0.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ►

Title ► **CFO/VP OF FINANCE**

Date ►

Form 8868 (Rev. 1-2012)

IRS e-file Signature Authorization
for an Exempt OrganizationDepartment of the Treasury
Internal Revenue ServiceFor calendar year 2011, or fiscal year beginning OCT 1, 2011, and ending SEP 30, 2012

2011

► Do not send to the IRS. Keep for your records.
► See instructions.

Name of exempt organization

Employer identification number

THE MILFORD HOSPITAL, INC.

06-0646741

Name and title of officer

LAURA SMITH
CFO/VP OF FINANCE**Part I Type of Return and Return Information** (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a, below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0). But, if you entered -0 on the return, then enter -0 on the applicable line below. **Do not complete more than 1 line in Part I.**

1a Form 990 check here ► <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b <u>195798138</u>
2a Form 990-EZ check here ► <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here ► <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here ► <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b _____
5a Form 8868 check here ► <input type="checkbox"/>	b Balance Due (Form 8868, Part I, line 3c or Part II, line 8c)	5b _____

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2011 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize MARCUM LLP to enter my PIN 46741
ERO firm name
Enter five numbers, but
do not enter all zeros

as my signature on the organization's tax year 2011 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2011 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ► _____ Date ► _____

Part III Certification and Authentication

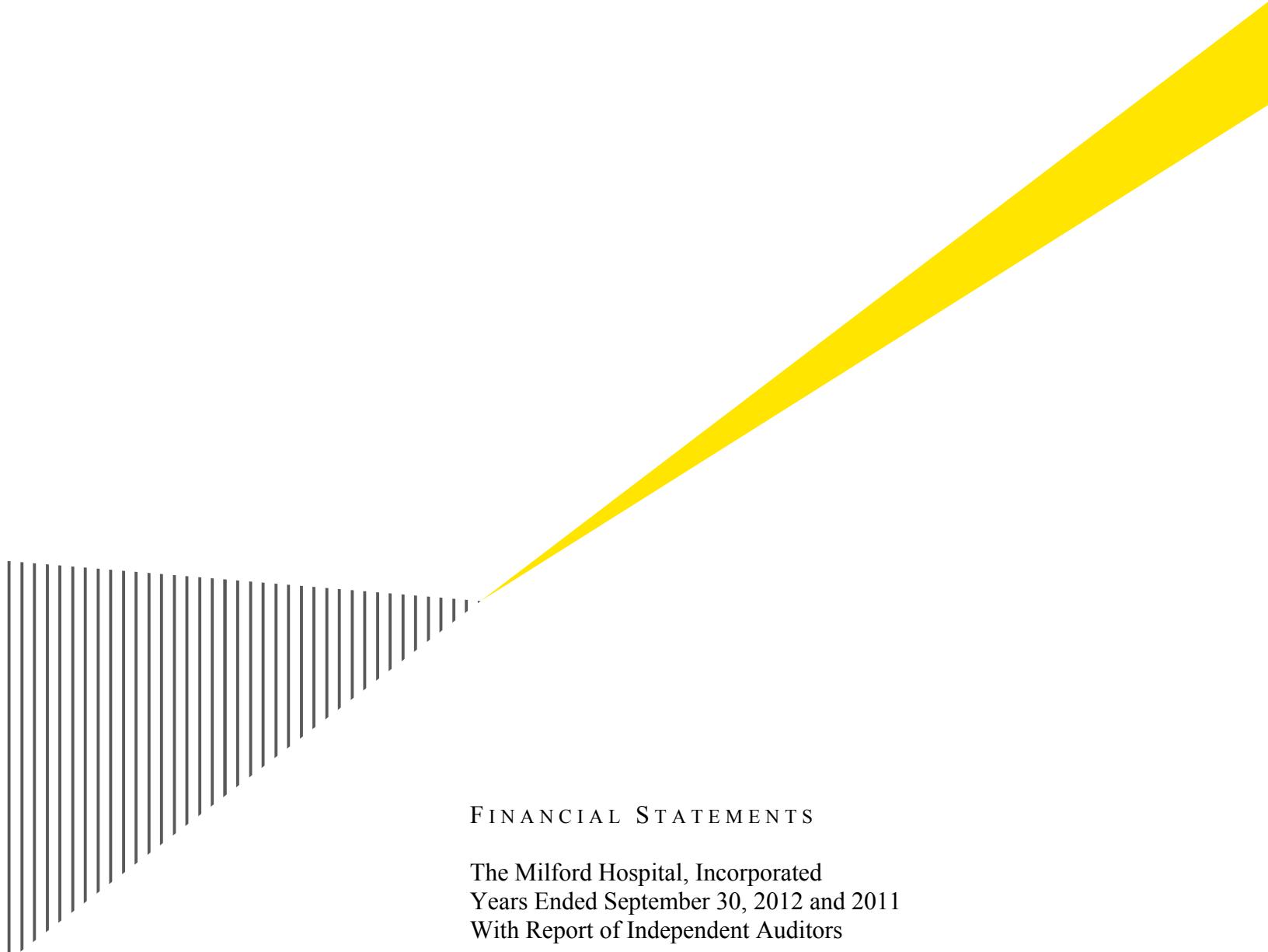
ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

06418706103
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2011 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-File Providers for Business Returns.

ERO's signature ► _____ Date ► _____

**ERO Must Retain This Form - See Instructions
Do Not Submit This Form To the IRS Unless Requested To Do So**



FINANCIAL STATEMENTS

The Milford Hospital, Incorporated
Years Ended September 30, 2012 and 2011
With Report of Independent Auditors

Ernst & Young LLP

 **ERNST & YOUNG**

The Milford Hospital, Incorporated

Financial Statements

Years Ended September 30, 2012 and 2011

Contents

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Statements of Cash Flows.....	6
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Report of Independent Auditors

The Board of Directors
The Milford Hospital, Incorporated

We have audited the accompanying balance sheets of The Milford Hospital, Incorporated (the Hospital) as of September 30, 2012 and 2011, and the related statements of operations and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Hospital's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Hospital's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Milford Hospital, Incorporated at September 30, 2012 and 2011, and the results of its operations and changes in net assets, and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

As discussed in Note 1 to the accompanying financial statements, in 2012 the Hospital changed its method of reporting estimated insurance claims receivables and estimated insurance claims liabilities with the adoption of the Accounting Standards Update No. 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*.



February 27, 2013

The Milford Hospital, Incorporated

Balance Sheets

	September 30	
	2012	2011
Assets		
Current assets:		
Cash and cash equivalents	\$ 404,540	\$ 956,229
Short-term investments	225,160	224,305
Patient accounts receivable, less allowance for uncollectible accounts of approximately \$4,369,000 in 2012 and \$4,896,000 in 2011	12,293,728	12,622,341
Inventories	861,132	774,644
Prepaid expenses and other	1,443,580	1,467,390
Insured claims receivable	939,962	–
Total current assets	<u>16,168,102</u>	16,044,909
Investments	12,311,143	20,575,753
Assets limited as to use	1,681,166	1,804,281
Property, plant, and equipment:		
Land and improvements	1,427,341	1,545,184
Building and improvements	38,197,439	38,526,752
Equipment	32,734,508	31,950,837
Construction-in-progress	–	36,667
	<u>72,359,288</u>	72,059,440
Less accumulated depreciation	<u>(48,777,136)</u>	(47,323,119)
	<u>23,582,152</u>	24,736,321
Beneficial interest in Milford Hospital Foundation, Inc.	789,204	745,924
Due from affiliates	654,070	676,168
Insured claims receivable, net of current portion	<u>3,038,843</u>	–
	<u>4,482,117</u>	1,422,092
Total assets	<u>\$ 58,224,680</u>	\$ 64,583,356

	September 30	
	2012	2011
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 4,350,123	\$ 4,033,312
Accrued employee compensation	6,702,468	6,308,053
Other accrued liabilities	2,359,227	2,859,722
Due to affiliates	11,500	—
Due to third-party reimbursement agencies	895,803	2,024,212
Current portion of note payable to bank	935,367	955,684
Insured claims liabilities	939,962	—
Total current liabilities	<u>16,194,450</u>	16,180,983
 Note payable to bank, less current portion	—	935,367
Insured claims liabilities, net of current portion	<u>3,038,843</u>	—
Accrued pension and other liabilities	<u>31,720,924</u>	31,971,787
Total liabilities	<u>50,954,217</u>	49,088,137
 Net assets:		
Unrestricted	5,927,259	14,195,295
Temporarily restricted	669,441	626,161
Permanently restricted	673,763	673,763
Total net assets	<u>7,270,463</u>	15,495,219
 Total liabilities and net assets	<u><u>\$ 58,224,680</u></u>	<u><u>\$ 64,583,356</u></u>

See accompanying notes.

The Milford Hospital, Incorporated
 Statements of Operations and Changes in Net Assets

	Year Ended September 30	
	2012	2011
Operating revenues:		
Net revenues from services to patients	\$ 84,451,715	\$ 79,860,535
Other operating revenues	<u>2,505,143</u>	<u>547,970</u>
	86,956,858	80,408,505
Operating expenses:		
Salaries and wages	37,965,219	37,951,254
Employee benefits	<u>14,538,699</u>	<u>13,445,501</u>
Supplies and other	<u>28,253,961</u>	<u>23,097,160</u>
Provision for uncollectible accounts	<u>7,028,914</u>	<u>7,611,773</u>
Depreciation	<u>2,796,910</u>	<u>3,208,305</u>
Interest	<u>102,151</u>	<u>168,405</u>
	90,685,854	85,482,398
Operating loss	(3,728,996)	(5,073,893)
Nonoperating income:		
Investment income, net	<u>1,939,764</u>	<u>2,111,457</u>
Deficiency of revenues over expenses before change in unrealized gains and losses on investments	(1,789,232)	(2,962,436)
Change in unrealized gains and losses on investments	<u>3,465</u>	<u>(2,445,378)</u>
Deficiency of revenues over expenses	(1,785,767)	(5,407,814)

Continued on next page.

The Milford Hospital, Incorporated

Statements of Operations and Changes in Net Assets (continued)

	Year Ended September 30	
	2012	2011
Unrestricted net assets:		
Deficiency of revenues over expenses (continued)	\$ (1,785,767)	\$ (5,407,814)
Net assets released from restrictions for capital	56,089	16,991
Net asset transfers to Milford Health and Medical, Inc.	(711,414)	(1,205,306)
Change in net assets related to pension plan liability to be recognized in future periods	(11,309,559)	(4,694,052)
Pension curtailment gain	5,482,615	—
Decrease in unrestricted net assets	<u>(8,268,036)</u>	<u>(11,290,181)</u>
Temporarily restricted net assets:		
Net assets released from restrictions for capital	(56,089)	(16,991)
Interest income	56,089	16,991
Change in beneficial interest of Milford Hospital Foundation, Inc.	43,280	(90,045)
Increase (decrease) in temporarily restricted net assets	<u>43,280</u>	<u>(90,045)</u>
Permanently restricted net assets:		
Restricted gifts	—	5,000
Change in beneficial interest of Milford Hospital Foundation, Inc.	—	58,471
Increase in permanently restricted net assets	<u>—</u>	<u>63,471</u>
Decrease in net assets	<u>(8,224,756)</u>	<u>(11,316,755)</u>
Net assets at beginning of year	15,495,219	26,811,974
Net assets at end of year	<u>\$ 7,270,463</u>	<u>\$ 15,495,219</u>

See accompanying notes.

The Milford Hospital, Incorporated

Statements of Cash Flows

	Year Ended September 30	
	2012	2011
Operating activities		
Change in net assets	\$ (8,224,756)	\$ (11,316,755)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Noncash items:		
Provision for uncollectible accounts	7,028,914	7,611,773
Depreciation	2,796,910	3,208,305
Change in unrealized gains and losses on investments	(3,465)	2,445,378
Change in net assets related to pension plan liability to be recognized in future periods	11,309,559	4,694,052
Pension curtailment gain	(5,482,615)	–
Net asset items:		
Net asset transfers to Milford Health and Medical, Inc.	711,414	1,205,306
Change in beneficial interest in Milford Hospital Foundation, Inc.	(43,280)	31,574
Restricted gifts	–	(5,000)
Changes in assets and liabilities:		
Patient accounts receivable	(6,700,301)	(8,007,316)
Due from affiliates	22,098	43,445
Inventories	(86,488)	(25,859)
Prepaid expenses and other	23,810	(124,980)
Investments classified as trading	8,268,075	4,772,566
Accounts payable	316,811	74,951
Accrued employee compensation	394,415	496,451
Other accrued liabilities	(500,495)	(274,277)
Due to affiliates	11,500	–
Due to third-party reimbursement agencies	(1,128,409)	138,810
Accrued pension and other liabilities	(6,077,807)	(642,475)
Net cash provided by operating activities	<u>2,635,890</u>	4,325,949
Investing activities		
Net purchases of property, plant, and equipment	(1,642,741)	(1,574,611)
Net purchases of short-term investments	(855)	(1,077)
Increase in assets limited as to use	123,115	(4,896)
Net cash used in investing activities	<u>(1,520,481)</u>	(1,580,584)

The Milford Hospital, Incorporated

Statements of Cash Flows (continued)

	Year Ended September 30	
	2012	2011
Financing activities		
Payments made on note payable to bank	\$ (955,684)	\$ (892,497)
Restricted gifts	—	5,000
Net asset transfers to Milford Health and Medical, Inc.	(711,414)	(1,205,306)
Net cash used in financing activities	(1,667,098)	(2,092,803)
(Decrease) increase in cash and cash equivalents	(551,689)	652,562
 Cash and cash equivalents at beginning of year	 956,229	 303,667
Cash and cash equivalents at end of year	\$ 404,540	\$ 956,229

See accompanying notes.

The Milford Hospital, Incorporated

Notes to Financial Statements

September 30, 2012

1. Organization and Accounting Policies

Organization

The Milford Hospital, Incorporated (the Hospital), a voluntary tax-exempt acute care hospital incorporated under the General Statutes of the State of Connecticut, is a subsidiary of Milford Health and Medical, Inc. (the Parent). The Board of Directors (the Board) of the Hospital, appointed by the Parent, controls the operations of the Hospital. Also, the Milford Hospital Foundation, Inc. is a subsidiary of the Parent, and functions as the fund-raising affiliate for the Hospital.

Estimates and Assumptions

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities such as estimated uncollectibles for patient accounts receivable, insurance claims liabilities and receivables, and estimated receivables from and payables to third-party reimbursement agencies and disclosure of contingent assets and contingent liabilities at the date of the financial statements. The allowance for uncollectible accounts, insurance claims liabilities and receivables, and the estimated receivables from and payables to third-party reimbursement agencies, among other accounts, require significant use of estimates. Estimates also affect the reported amounts of revenues and expenses during the reported period. There is at least a reasonable possibility that certain estimates will change by material amounts in the near term. Actual results could differ from those estimates.

Regulatory Matters

The Hospital is required to file annual operating information with the State of Connecticut Office of Health Care Access.

Cash and Cash Equivalents and Short-Term Investments

The Hospital considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Short-term investments consist of bank certificates of deposit. Cash and cash equivalents are maintained with domestic financial institutions with deposits that exceed federally insured limits and, therefore, bear a risk of loss. It is the Hospital's policy to monitor the strength of these institutions.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

1. Organization and Accounting Policies (continued)

Inventories

Inventories, consisting mainly of supplies, are stated at the lower of cost or market. The Hospital values its inventories using the first-in, first-out method.

Fair Value of Financial Instruments

The carrying value of financial instruments in the accompanying balance sheets as of September 30, 2012 and 2011 approximates fair value based on current market conditions. The fair value of each financial instrument is disclosed in the respective notes and in Note 4.

Investments

The Hospital's investment portfolio is classified as trading, with changes in unrealized gains and losses included in the deficiency of revenues over expenses. Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value at the balance sheet date. Assets temporarily restricted (by donor) are recorded at fair value at the date of donation, which is then considered cost.

Alternative investments (not-readily-marketable assets) are stated in the accompanying balance sheets based upon net asset values derived from the application of the equity method of accounting. Individual investment holdings within the alternative investments may, in turn, include investments in both nonmarketable and market-traded securities. Financial information used by the Hospital to evaluate its alternative investments is prepared by the investment manager or general partner and includes fair value valuations that may be based on historical cost, appraisals, or other estimates that require varying degrees of judgment. Generally, fair value reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses. The investments may indirectly expose the Hospital to securities lending, short sales of securities, and trading in futures and forwards contracts, options, swap contracts, and other derivative products. While these financial instruments may contain varying degrees of risk, the Hospital's risk with respect to such transactions is limited to its capital balance in each investment. The financial statements of the investees are audited annually by independent auditors.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

1. Organization and Accounting Policies (continued)

There is uncertainty in determining values of alternative investments arising from factors such as lack of active markets (primary and secondary), lack of transparency into underlying holdings and time lags associated with reporting by the investee companies. As a result, there is at least a reasonable possibility that estimates will change.

Investment income, including realized and changes in unrealized gains and losses on investments, interest, and dividends, is included in nonoperating income unless the income or loss is restricted by the donor or law. The cost of securities sold is based on the specific identification method.

Assets Limited As To Use

Assets limited as to use primarily consist of interest-bearing deposits in banks which have been set aside by the Board of Directors (the Board) and restricted by donors for future capital improvements or purchases of equipment. Except for the assets restricted by donors, the Board retains control of funds it has set aside and may, at its discretion, subsequently use these funds for other purposes.

Patient Accounts Receivable

Patient accounts receivable result from the health care services provided by the Hospital. Additions to the allowance for uncollectible accounts result from the provision for uncollectible accounts. Accounts written off as uncollectible are deducted from the allowance for uncollectible accounts. The amount of the allowance for uncollectible accounts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in Medicare and Medicaid health care coverage and other collection indicators. See Note 2 for additional information relative to third-party payor programs.

The Hospital's primary concentration of credit risk is patient accounts receivable, which consists of amounts owed by various governmental agencies, insurance companies, and private patients. The Hospital manages the receivables by regularly reviewing its patient accounts and contracts, and by providing appropriate allowances for uncollectible amounts. Significant concentrations of gross patient accounts receivable, before allowances for uncollectible accounts, include 47% and 42% for Medicare, and 6% and 8% for Medicaid, for the years ended September 30, 2012 and 2011, respectively.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

1. Organization and Accounting Policies (continued)

Property, Plant, and Equipment

Property, plant, and equipment is stated on the basis of cost. Depreciation of property, plant, and equipment is provided using the straight-line method over their estimated useful lives of the related assets as follows:

Building and improvements	5 – 50 years
Equipment	3 – 25 years

Restricted Net Assets

Temporarily restricted net assets are those where use by the Hospital has been limited by donors to a specific time frame or purpose. All of the Hospital's temporarily restricted net assets are restricted for capital expenditures. Permanently restricted net assets are amounts to be maintained in perpetuity, the income of which can be used for capital expenditures.

Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. The gifts are reported as either temporarily or permanently restricted 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, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are included in nonoperating income in the accompanying statements of operations and changes in net assets.

Deficiency of Revenues Over Expenses

The statements of operations and changes in net assets include the deficiency of revenues over expenses as the performance indicator. Changes in unrestricted net assets which are excluded from the deficiency of revenues over expenses include permanent transfers of assets to and from affiliates for other than goods and services, 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, change in net assets related to pension plan liability to be recognized in future periods and the pension curtailment gain.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

1. Organization and Accounting Policies (continued)

Nonoperating Income

Activities, other than in connection with providing healthcare services, are considered to be nonoperating. Nonoperating income primarily consists of income on invested funds and unrestricted gifts.

Beneficial Interest in Milford Hospital Foundation, Inc.

The interest in Milford Hospital Foundation, Inc. represents the Hospital's beneficial interest in net assets of The Milford Hospital Foundation, Inc. This investment is accounted for in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-20, *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*.

Income Taxes

The Hospital is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the Code), and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code and is exempt from the State of Connecticut and local income taxes. The Hospital has a net operating loss carryforward from unrelated business activities of approximately \$6,237,000. A deferred tax asset for these losses of approximately \$2,495,000 is offset by a corresponding valuation allowance of the same amount. Operating loss carryforwards will begin to expire in 7 years.

Subsequent Events

The Hospital evaluates the impact of subsequent events, which are events that occur after the balance sheet date but before the financial statements are issued, for potential recognition in the financial statements as of the balance sheet date. For the year ended September 30, 2012, the Hospital evaluated subsequent events through February 27, 2013, which is the date the financial statements were available to be issued. No events occurred that require disclosure in or adjustment to the financial statements.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

1. Organization and Accounting Policies (continued)

New Accounting Standards

In August 2010, the FASB issued ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries* (ASU No. 2010-24). ASU 2010-24 clarifies that, for medical malpractice or similar contingent liabilities, a health care entity such as the Hospital should not net insurance recoveries against related claims liabilities and that claims liabilities should be determined without consideration of insurance recoveries. Health care entities that are indemnified for these liabilities should recognize insurance receivables at the same time that they recognize the liabilities, measured on the same basis as the liabilities, subject to the need for a valuation allowance for uncollectible amounts. As a result of the adoption of ASU No. 2010-24 in 2012, the Hospital recognized insurance claims receivable and insurance claims liability of approximately \$3,979,000 (\$940,000 current and \$3,039,000 long-term) in the accompanying balance sheet at September 30, 2012. Such amounts represent the actuarially determined present value of medical malpractice and other insurance claims that are anticipated to be covered by insurance, discounted at a rate of 3.5%. As permitted, the Hospital's balance sheet as of September 30, 2011 was not restated to reflect the adoption of this accounting pronouncement, which has no effect on the Hospital's net assets.

In July 2011, the FASB issued ASU No. 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*. The provisions of ASU No. 2011-07 require certain health care entities that recognize significant amounts of patient service revenue at the time the services are rendered without assessing the patient's ability to pay to present the provision for bad debts related to patient service revenue as a deduction from patient service revenue in the statement of operations and changes in net assets rather than as an operating expense. Additional disclosures relating to sources of patient service revenue and the allowance for uncollectible accounts are also required. This new guidance is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011, with early adoption permitted. The Hospital plans to adopt the provisions of ASU No. 2011-07 in 2013.

Reclassifications

Certain reclassifications have been made to the 2011 balances previously reported to conform to the current year presentation.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

2. Revenues from Services to Patients and Charity Care

The following table summarizes net revenues from services to patients:

	Year Ended September 30	
	2012	2011
Gross revenues from services to patients	\$ 189,422,163	\$ 184,109,979
Deductions:		
Allowances	104,777,915	104,061,678
Charity care	192,533	187,766
	104,970,448	104,249,444
	\$ 84,451,715	\$ 79,860,535

During fiscal years 2012 and 2011, the Hospital's net revenues from services to patients were 40% and 37% from Medicare, 4% and 7% from Medicaid, and 17% and 18% from Blue Cross (governmental payors include managed Medicare and Medicaid business), respectively. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by material amounts in the near term. The Hospital believes that it is in compliance with all applicable laws and regulations, and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs. Changes in the Medicare and Medicaid programs and the reduction of funding levels could have an adverse impact on the Hospital.

Patient accounts receivable and revenues are recorded when patient services are performed. The Hospital has agreements with certain third-party payors, including health maintenance organizations, that provide for payments to the Hospital at amounts different from the Hospital's established billing rates. These differences are accounted for as allowances. Under these agreements, the Hospital receives reimbursement based on a number of different arrangements, including fee-for-service payments.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

2. Revenues from Services to Patients and Charity Care (continued)

Net revenues from services to patients is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered, and adjusted in future periods as final settlements are determined. Revenue under third-party payor agreements is subject to audit and retroactive adjustments. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations. Retroactive adjustments related to settlements with third-party payors for previous fiscal years increased net revenues from services to patients by approximately \$2,101,000 and decreased net revenues from services to patients by approximately \$228,000 for the years ended September 30, 2012 and 2011, respectively. In prior years, the Hospital was a party to a Medicare appeal claim challenging the calculation of the rural floor budget neutrality adjustment. In fiscal 2012, the appeal was settled and the Hospital received a payment of approximately \$869,000 which is included in retroactive settlement adjustments referred to above.

The Hospital accepts all patients regardless of their ability to pay. A patient is classified as a charity patient by reference to the established policies of the Hospital. Essentially, these policies define charity services as those services for which no payment is anticipated. In assessing a patient's inability to pay, the Hospital utilizes the generally recognized poverty income levels for the state of Connecticut, but also includes certain cases where incurred charges are significant when compared to income. These charges are not included in net revenues from services to patients for financial reporting purposes.

The estimated cost of charity care provided was \$92,762 and \$87,180 for the years ended September 30, 2012 and 2011, respectively. The estimated cost of charity care is based on the ratio of cost to charges, as determined by hospital-specific data.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

3. Investments

Investments are comprised of the following at September 30:

	2012	2011
Cash and cash equivalents	\$ 2,283,664	\$ 1,928,762
Government bonds	2,015,518	2,699,287
Corporate bonds	1,541,644	1,634,084
Other fixed income	24,924	–
Equities	4,440,235	13,078,051
Commodities	702,604	–
Alternative investments	1,283,286	1,205,131
Accrued interest	19,268	30,438
	<u>\$ 12,311,143</u>	<u>\$ 20,575,753</u>

Assets limited as to use are comprised of the following at September 30:

	2012	2011
Cash and cash equivalents	\$ 694,939	\$ 754,029
Government bonds	379,175	391,081
Corporate bonds	179,947	289,079
Other fixed income securities	327,947	288,955
Equities	96,355	76,429
Accrued interest	2,803	4,708
	<u>\$ 1,681,166</u>	<u>\$ 1,804,281</u>

The composition of assets limited as to use at September 30 is as follows:

	2012	2011
Internally designated	\$ 939,766	\$ 1,118,969
Temporarily restricted for capital purposes	187,400	131,312
Permanently restricted	554,000	554,000
	<u>\$ 1,681,166</u>	<u>\$ 1,804,281</u>

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

3. Investments (continued)

The components of investment earnings, included in nonoperating income, include the following for the years ended September 30:

	2012	2011
Interest income	\$ 28,607	\$ 41,526
Dividend income	285,887	420,745
Realized capital gains and losses	<u>1,625,270</u>	<u>1,649,186</u>
Investment income, net	1,939,764	2,111,457
Change in unrealized gains and losses on investments	3,465	(2,445,378)
Total return on investments	<u><u>\$ 1,943,229</u></u>	<u><u>\$ (333,921)</u></u>

4. Fair Value of Financial Instruments

As defined in ASC 820-10, fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, ASC 820-10 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs that are based on inputs not quoted in active markets, but corroborated by market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. In determining fair value, the Hospital utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible and considers nonperformance risk in its assessment of fair value.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

4. Fair Value of Financial Instruments (continued)

Financial assets carried at fair value in the accompanying balance sheets, excluding assets invested in the Hospital's defined benefit pension plan, are classified in the table below in one of the three categories described above:

	September 30, 2012			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 404,540	\$ —	\$ —	\$ 404,540
Short-term investments:				
Cash and cash equivalents	225,160	—	—	225,160
Investments:				
Cash and cash equivalents	2,283,664	—	—	2,283,664
Fixed income:				
Government bonds	—	2,015,518	—	2,015,518
Corporate bonds	—	1,541,644	—	1,541,644
Other	—	24,924	—	24,924
Equities:				
International	1,317,713	—	—	1,317,713
Small cap	24,893	—	—	24,893
Mid cap	637,840	—	—	637,840
Large cap	1,955,888	—	—	1,955,888
Emerging markets	503,901	—	—	503,901
Commodities	702,604	—	—	702,604
Assets limited as to use:				
Cash and cash equivalents	694,939	—	—	694,939
Fixed income:				
Government bonds	—	379,175	—	379,175
Corporate bonds	—	179,947	—	179,947
Other	—	327,947	—	327,947
Equities:				
International	4,350	—	—	4,350
Small cap	3,038	—	—	3,038
Mid cap	3,142	—	—	3,142
Large cap	85,825	—	—	85,825

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

4. Fair Value of Financial Instruments (continued)

	September 30, 2011			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 956,229	\$ –	\$ –	\$ 956,229
Short-term investments:				
Cash and cash equivalents	224,305	–	–	224,305
Investments:				
Cash and cash equivalents	1,928,762	–	–	1,928,762
Fixed income:				
Government bonds	–	2,699,287	–	2,699,287
Corporate bonds	–	1,634,084	–	1,634,084
Equities:				
International	2,175,765	–	–	2,175,765
Mid cap	1,334,583	–	–	1,334,583
Large cap	8,626,927	–	–	8,626,927
Emerging markets	940,776	–	–	940,776
Assets limited as to use:				
Cash and cash equivalents	754,029	–	–	754,029
Fixed income:				
Government bonds	–	391,081	–	391,081
Corporate bonds	–	289,079	–	289,079
Other	–	288,956	–	288,955
Equities:				
International	3,860	–	–	3,860
Mid cap	2,491	–	–	2,491
Emerging markets	23,646			23,646
Other	46,432	–	–	46,432

The amounts reported in the tables above do not include alternative investments totaling \$1,283,286 and \$1,205,131 for the years ended September 30, 2012 and 2011, respectively, that are accounted for under the equity method of accounting.

Fair value for Level 1 is based upon quoted market prices. Fair value for Level 2 is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources, including market participants, dealers and brokers.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

5. Debt

The Hospital has a mortgage note arrangement with a bank secured by Hospital property. The Hospital pays principal and interest at a fixed rate of 6.86% over a ten-year term. At September 30, 2012 and 2011, the Hospital had an unpaid principal balance of \$935,367 and \$1,891,051, respectively. The mortgage note has a maturity date of August 15, 2013. Interest paid during fiscal years 2012 and 2011 amounted to \$97,317 and \$160,685, respectively. As of September 30, 2012 and 2011, the carrying value of the mortgage note approximates fair value.

Future minimum principal payments during the next fiscal year, and in the aggregate, were \$935,367 at September 30, 2012.

6. Pension Plan

The Hospital has a defined benefit pension plan (the Plan) covering substantially all of its employees. Plan benefits are based on years of service and the employee's compensation. Plan participants will vest in their benefits on a percentage basis with years of service.

Effective August 26, 2009, the Hospital's Executive Committee of the Board of Directors adopted a resolution to freeze the Plan for non-union employees effective December 31, 2009. Effective January 24, 2012, the Hospital's Executive Committee of the Board of Directors adopted a resolution to freeze the Plan for nursing union employees effective January 31, 2012 which resulted in a pension curtailment gain of \$5,482,615.

The Hospital recognizes the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligation) of the defined benefit pension plan in its balance sheet.

Net unrecognized actuarial losses at the reporting date will be subsequently recognized in the future as net periodic pension cost pursuant to the Hospital's accounting policy for amortizing such amounts. Further, actuarial gains and losses that arise in subsequent periods and are not recognized as net periodic pension cost in the same periods will be recognized as a component of unrestricted net assets.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

6. Pension Plan (continued)

Included in unrestricted net assets at September 30, 2012 and 2011 are the following amounts that have not yet been recognized in net periodic pension cost:

	2012	2011
Unrecognized actuarial loss	\$ (27,716,287)	\$ (21,666,535)
Unrecognized prior service costs	—	(222,808)
	<u>\$ (27,716,287)</u>	<u>\$ (21,889,343)</u>

The following table presents a reconciliation of the beginning and ending balances of the Plan's projected benefit obligation and the fair value of plan assets, as well as the funded status of the Plan and accrued pension cost included in the financial statements:

	September 30	
	2012	2011
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 82,488,161	\$ 80,267,273
Service cost	988,966	1,017,495
Interest cost	3,644,948	3,890,994
Benefits paid	(2,974,691)	(3,172,320)
Expenses paid	(570,708)	(453,640)
Curtailment gain	(5,482,615)	—
Actuarial loss	15,887,556	938,359
Benefit obligation at end of year	93,981,617	82,488,161
Change in plan assets		
Fair value of plan assets at beginning of year	52,878,221	54,569,223
Contributions	7,052,981	2,500,000
Actual return on plan assets	8,487,811	(522,230)
Benefits paid	(2,974,691)	(3,172,320)
Expenses paid	(570,708)	(496,452)
Fair value of plan assets at end of year	64,873,614	52,878,221
Funded status of the plan	\$ (29,108,003)	\$ (29,609,940)

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

6. Pension Plan (continued)

	September 30	
	2012	2011
Components of net periodic pension cost		
Service cost	\$ 988,966	\$ 1,017,495
Interest cost	3,644,948	3,890,994
Expected return on plan assets	(4,454,673)	(4,368,627)
Amortization of prior service cost	—	68,933
Curtailment loss	222,808	—
Net amortization and deferral	322,051	1,109,044
Net periodic pension cost	\$ 724,100	\$ 1,717,839

The weighted-average assumptions used to develop net periodic benefit cost, and the projected benefit obligation as of September 30, 2012 and 2011, are as follows:

	2012	2011
Discount rate used for net periodic pension cost	4.75%	5.00%
Discount rate used for projected benefit obligation	3.73	4.75
Expected long-term rate of return on plan assets	8.00	8.00
Rate of compensation increase	3.00	3.50

The accumulated benefit obligation at September 30, 2012 and 2011 was \$93,981,617 and \$76,602,288, respectively.

Plan Assets

To develop the expected long-term rate of return on plan assets assumption, the Hospital considers the historical return and the future expectations for return for each asset class, as well as target allocation of the plan asset portfolio. The Plan's investment objectives are to achieve long-term growth in excess of long-term inflation, and to provide a rate of return that meets or exceeds the actuarial expected long-term rate of return on plan assets over a long-term time horizon. In order to minimize the risk, the Plan aims to minimize the variability in yearly returns. The Plan also aims to diversify its holdings among sectors, industries, and companies. No more than 10% of the Plan's portfolio, excluding U.S. government securities and cash, may be held in an individual company's stocks or bonds, and no more than 20% in a single industry.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

6. Pension Plan (continued)

The Hospital's pension plan weighted-average allocations at September 30, 2012 and 2011, by asset category, are as follows:

Asset Category	2012	2011
Cash and money market funds	11.6%	4.2%
Government bonds	13.7	15.8
Corporate bonds	7.9	8.5
Equities	62.2	67.4
Alternative investments	4.6	4.1
Total	100.0%	100.0%

The target allocation for the Plan's assets is 65% equity securities, 25% fixed income securities, and 10% other investments.

Financial assets carried at fair value included in the defined benefit pension plan are classified in the tables below in one of the three categories described above:

	September 30, 2012			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 7,504,707	\$ –	\$ –	\$ 7,504,707
Fixed income:				
Government bonds	–	8,858,044	–	8,858,044
Corporate bonds	–	5,117,442	–	5,117,442
Equities:				
International	13,610,566	–	–	13,610,566
Mid cap	2,520,875	–	–	2,520,875
Large cap	24,274,555	–	–	24,274,555
Alternative investments	–	–	2,987,425	2,987,425
	\$ 47,910,703	\$ 13,975,486	\$ 2,987,425	\$ 64,873,614

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

6. Pension Plan (continued)

	September 30, 2011			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 2,232,417	\$ —	\$ —	\$ 2,232,417
Fixed income:				
Government bonds	—	8,380,644	—	8,380,644
Corporate bonds	—	4,496,920	—	4,496,920
Equities:				
International	9,139,673	—	—	9,139,673
Mid cap	4,174,933	—	—	4,174,933
Large cap	22,325,812	—	—	22,325,812
Alternative investments	—	—	2,127,822	2,127,822
	<u>\$ 37,872,835</u>	<u>\$ 12,877,564</u>	<u>\$ 2,127,822</u>	<u>\$ 52,878,221</u>

The changes in investments classified as Level 3 are as follows for the years ended September 30, 2012 and 2011:

	2012	2011
Beginning balance for the year	\$ 2,127,822	\$ 1,842,050
Purchases	687,500	250,000
Net change in unrealized appreciation	172,103	35,772
Ending balance for the year	<u>\$ 2,987,425</u>	<u>\$ 2,127,822</u>

Assets invested in the defined benefit cash balance plan are carried at fair value based upon, as a practical expedient, net asset values derived from the application of the equity method of accounting. Debt securities and equity securities with readily determinable values are classified as Level 1 as determined based on independent published sources. Level 2 assets are valued based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources, including market participants, dealers and brokers. Assets that are valued using

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

6. Pension Plan (continued)

significant unobservable inputs, such as extrapolated data, proprietary models or indicative quotes that cannot be corroborated with market data are classified in Level 3 within the fair value hierarchy. Level 3 assets are valued based on the Hospital's ownership interest in the net asset value (NAV) of the fund as discussed above. As the NAV reported by each fund is used as a practical expedient to estimate the fair value of the Hospital's interest therein, its classification as Level 3 is based on the Hospital's ability to redeem its interest at or near the measurement date. The Hospital routinely monitors and assesses methodologies and assumptions used in valuing these interests.

Contributions

The Hospital expects to contribute approximately \$625,000 to the Plan in 2013.

Estimated Future Benefit Payments

Benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

Fiscal years:	
2013	\$ 3,180,417
2014	3,548,552
2015	3,660,425
2016	3,855,780
2017	4,003,178
Years 2018 – 2022	23,887,895

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

7. Transactions With Affiliates

Amounts expected to be collected from affiliated entities are as follows:

	September 30	
	2012	2011
Milford Medical Lab, Inc.	\$ 221,205	\$ 224,110
Milford Health and Medical, Inc.	364,864	309,799
Home Care Plus, Inc.	34,777	28,702
Other affiliated entities	33,224	113,557
	\$ 654,070	\$ 676,168

Amounts due from Milford Medical Lab, Inc. relate to lab and related services provided by the Hospital on behalf of Milford Medical Lab, Inc. The Hospital charged Milford Medical Lab, Inc. \$692,504 and \$704,714 in 2012 and 2011, respectively, for those services. The receivable from Milford Medical Lab, Inc. is net of an allowance for uncollectible accounts of \$8,802,439 and \$8,137,743 at September 30, 2012 and 2011, respectively. Amounts due from Milford Health and Medical, Inc., Home Care Plus, Inc., and other affiliated entities are the result of allocating joint general and administrative costs incurred by the Hospital. The amounts allocated to affiliates during the years ended September 30, 2012 and 2011 were \$143,075 and \$124,304, respectively.

8. Medical Malpractice Insurance

Effective October 1, 2004, the Hospital became insured by the Parent through Healthcare Alliance Insurance Company, Ltd. (HAIC). HAIC is a multi-provider captive insurance company domiciled in the Cayman Islands. The Parent is a one-third owner of the captive with two other local hospitals that each hold one-third ownership. The Hospital's insurance coverage is \$1,500,000 per occurrence, and \$3,000,000 in the aggregate. The Hospital has an excess layer of indemnity coverage of \$25,000,000 per occurrence, and \$25,000,000 in the aggregate.

Management accrues its best estimate of losses as they occur. Accordingly, management has recorded a liability of approximately \$596,000 and \$594,000 at September 30, 2012 and 2011, respectively, for claims incurred but not reported which is included in accrued pension and other liabilities on the balance sheet. This liability has been discounted using a 3.5% discount rate at September 30, 2012 and 2011, respectively.

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

8. Medical Malpractice Insurance (continued)

Malpractice claims have been asserted against the Hospital by various claimants. These claims are in various stages of processing, and some may ultimately be brought to trial. There are known incidents that have occurred through September 30, 2012 that may result in the assertion of additional claims, and other claims may be asserted arising from services provided to patients in the past. In management's opinion, the outcome of these matters will not have a material effect on the Hospital's financial statements.

9. Commitments and Contingencies

The Hospital is a party to various lawsuits incidental to its business. Management believes that the lawsuits fall within the Hospital's liability insurance, and that they will not have a material adverse effect on the Hospital's financial statements.

10. Functional Expenses

The Hospital provides inpatient and outpatient general healthcare services to residents within its geographic location. Expenses related to providing these services are as follows:

	Year Ended September 30	
	2012	2011
Healthcare services	\$ 81,170,301	\$ 75,830,354
General and administrative	9,515,553	9,652,044
	\$ 90,685,854	\$ 85,482,398

The Milford Hospital, Incorporated

Notes to Financial Statements (continued)

11. Other Operating Revenues

Other operating revenues consist of the following for the years ended September 30, 2012 and 2011:

	2012	2011
Electronic health records incentive payments	\$ 2,003,647	\$ —
Cafeteria	237,396	247,998
Pharmacy	198,790	190,688
Other	65,310	109,284
	<u>\$ 2,505,143</u>	<u>\$ 547,970</u>

The American Recovery and Reinvestment Act of 2009 included provisions for implementing health information technology under the Health Information Technology for Economic and Clinical Health Act (HITECH). The provisions were designed to increase the use of electronic health record (EHR) technology and establish the requirements for a Medicare and Medicaid incentive payment program beginning in 2011 for eligible providers that adopt and meaningfully use certified EHR technology. Eligibility for annual Medicare incentive payments is dependent on providers demonstrating meaningful use of EHR technology in each period over a four-year period. Initial Medicaid incentive payments are available to providers that adopt, implement or upgrade certified EHR technology. In subsequent years, providers must demonstrate meaningful use of such technology to qualify for additional Medicaid incentive payments. Hospitals that do not successfully demonstrate meaningful use of EHR technology are subject to payment penalties or downward adjustments to their Medicare payments beginning in federal fiscal year 2015.

The Hospital uses a grant accounting model to recognize revenue for the Medicare and Medicaid EHR incentive payments. Under this accounting policy, EHR incentive payment revenue is recognized when the Hospital is reasonably assured that the EHR meaningful use criteria for the required period of time were met and that the grant revenue will be received. EHR incentive payment revenue from Medicare and Medicaid for the year ended September 30, 2012 was approximately \$1,808,000 and \$196,000, respectively, and is included in other operating revenue. Income from incentive payments is subject to retrospective adjustment upon final settlement of the applicable cost report from which payments were calculated. Additionally, the Hospital's attestation of compliance with the meaningful use criteria is subject to audit.

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Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))

2011

For calendar year 2011 or other tax year beginning OCT 1, 2011, and ending SEP 30, 2012

A <input type="checkbox"/> Check box if address changed	Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) THE MILFORD HOSPITAL, INC.		D Employer identification number (Employees' trust, see instructions.) 06-0646741
B Exempt under section <input checked="" type="checkbox"/> 501(C)(3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)	Print or Type Number, street, and room or suite no. If a P.O. box, see instructions. 300 SEASIDE AVENUE		E Unrelated business activity codes (See instructions.) 541610 621500
C Book value of all assets at end of year 58,315,458.	F Group exemption number (See instructions.) ►	G Check organization type ► <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust	

H Describe the organization's primary unrelated business activity. ► **LABORATORY SERVICES**I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ► Yes No
If "Yes," enter the name and identifying number of the parent corporation. ► **SEE STATEMENT 4**J The books are in care of ► **JOSEPH PELACCIA** Telephone number ► **203-876-4230**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales 4,812,908.			
b	Less returns and allowances 1,871,478.	c Balance 2,941,430.		
2	Cost of goods sold (Schedule A, line 7)	2		
3	Gross profit. Subtract line 2 from line 1c	3	2,941,430.	2,941,430.
4a	Capital gain net income (attach Schedule D)	4a		
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c	Capital loss deduction for trusts	4c		
5	Income (loss) from partnerships and S corporations (attach statement)	5	-1,545.	-1,545.
6	Rent income (Schedule C)	6		
7	Unrelated debt-financed income (Schedule E)	7		
8	Interest, annuities, royalties, and rents from controlled organizations (Sch. F)	8		
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10	Exploited exempt activity income (Schedule I)	10		
11	Advertising income (Schedule J)	11		
12	Other income (See instructions; attach schedule.) STATEMENT 2	12	72,975.	72,975.
13	Total. Combine lines 3 through 12	13	3,012,860.	3,012,860.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)
(Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K)	14	
15	Salaries and wages	15	1,832,859.
16	Repairs and maintenance	16	16,419.
17	Bad debts	17	45,686.
18	Interest (attach schedule)	18	
19	Taxes and licenses	19	12,544.
20	Charitable contributions (See instructions for limitation rules.)	20	
21	Depreciation (attach Form 4562)	21	1,256.
22	Less depreciation claimed on Schedule A and elsewhere on return	22a	1,256.
23	Depletion	23	
24	Contributions to deferred compensation plans	24	
25	Employee benefit programs	25	424,361.
26	Excess exempt expenses (Schedule I)	26	
27	Excess readership costs (Schedule J)	27	
28	Other deductions (attach schedule)	28	587,812.
29	Total deductions. Add lines 14 through 28	29	2,920,937.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	91,923.
31	Net operating loss deduction (limited to the amount on line 30)	31	91,923.
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	0.
33	Specific deduction (Generally \$1,000, but see instructions for exceptions.)	33	1,000.
34	Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	0.

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation.

Controlled group members (sections 1561 and 1563) check here ► See instructions and:

a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):

(1) \$ 50,000. (2) \$ 25,000. (3) \$ 9,925,000.

b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$

(2) Additional 3% tax (not more than \$100,000) \$

c Income tax on the amount on line 34 \$

36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from:

 Tax rate schedule or Schedule D (Form 1041) \$

37 Proxy tax. See instructions \$

38 Alternative minimum tax \$

39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies \$

35c	0.
36	
37	
38	
39	0.

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) \$

40a

40a	
41	0.
42	
43	0.

b Other credits (see instructions) \$

40b

c General business credit. Attach Form 3800 \$

40c

d Credit for prior year minimum tax (attach Form 8801 or 8827) \$

40d

e Total credits. Add lines 40a through 40d \$

40a	
41	0.
42	
43	0.

41 Subtract line 40e from line 39 \$

41

42 Other taxes. Check if from: Form 4255 Form 8611 Form 8697 Form 8866 Other (attach schedule)

42

43 Total tax. Add lines 41 and 42 \$

43

44a Payments: A 2010 overpayment credited to 2011 \$

44a

b 2011 estimated tax payments \$

44b

c Tax deposited with Form 8868 \$

44c

d Foreign organizations: Tax paid or withheld at source (see instructions) \$

44d

e Backup withholding (see instructions) \$

44e

f Credit for small employer health insurance premiums (Attach Form 8941) \$

44f

g Other credits and payments: Form 2439 Other \$

44g

h Form 4136 Other \$ Total ►

45	
46	
47	0.
48	0.
49	

45 Total payments. Add lines 44a through 44g \$

45

46 Estimated tax penalty (see instructions). Check if Form 2220 is attached ►

46

47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed \$

47

48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid \$

48

49 Enter the amount of line 48 you want: Credited to 2012 estimated tax ►

Refunded

49

Part V Statements Regarding Certain Activities and Other Information (see instructions)

1 At any time during the 2011 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and

Yes

No

Financial Accounts. If YES, enter the name of the foreign country here ►

X

2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.

X

3 Enter the amount of tax-exempt interest received or accrued during the tax year ► \$

X

Schedule A - Cost of Goods Sold. Enter method of inventory valuation ► N/A

1 Inventory at beginning of year	1	6 Inventory at end of year	6
2 Purchases	2	7 Cost of goods sold. Subtract line 6	
3 Cost of labor	3	from line 5. Enter here and in Part I, line 2	7
4a Additional section 263A costs	4a	8 Do the rules of section 263A (with respect to	
b Other costs (attach schedule)	4b	property produced or acquired for resale) apply to	
5 Total. Add lines 1 through 4b	5	the organization?	X

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 taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Sign Here	Signature of officer	Date	Title	Check <input type="checkbox"/> if self-employed	PTIN
	Print/Type preparer's name	Preparer's signature	Date		
Paid Preparer Use Only	DOUGLAS FARRINGTON	<i>DOUG FARRINGTON</i>	8/8/13		P00370668
	Firm's name ► MARCUM LLP			Firm's EIN ►	11-1986323
	CITY PLACE II 185 ASYLUM STREET				
	Firm's address ► HARTFORD, CT 06103			Phone no.	860-549-8500

Application for Extension of Time To File an Exempt Organization Return

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box ►
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which 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/efile and click on e-file for Charities & Nonprofits.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ►

All other corporations (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	Name of exempt organization or other filer, see instructions. THE MILFORD HOSPITAL, INC.	Employer identification number (EIN) or X 06-0646741
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 300 SEASIDE AVENUE	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. MILFORD, CT 06460	

Enter the Return code for the return that this application is for (file a separate application for each return) ► **0 7**

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

JOSEPH PELACCIA

- The books are in the care of ► **300 SEASIDE AVENUE - MILFORD, CT 06460**
Telephone No. ► **203-876-4230** FAX No. ► **(203) 876-4637**

- 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 EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2013**, to file the exempt organization return for the organization named above. The extension

is for the organization's return for:

► calendar year _____ or
► tax year beginning **OCT 1, 2011**, and ending **SEP 30, 2012**

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

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b	If this application is for Form 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.	3b	\$	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.	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 1-2012)

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions)

1. Description of property

(1)	
(2)	
(3)	
(4)	

2. Rent received or accrued		3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)		
(1)		
(2)		
(3)		
(4)		
Total	0.	0.

(c) **Total income.** Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ► 0.

(b) **Total deductions.** Enter here and on page 1, Part I, line 6, column (B) ► 0.

Schedule E - Unrelated Debt-Financed Income (see instructions)

1. Description of debt-financed property		2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property	
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).
			0.	0.

Total dividends-received deductions included in column 8 ► 0.

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7. Taxable Income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
Totals			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
			0.	0.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization
 (see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
	Enter here and on page 1, Part I, line 9, column (A).			Enter here and on page 1, Part I, line 9, column (B).
Totals		0.		0.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income
 (see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
	Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).				Enter here and on page 1, Part II, line 26.
Totals		0.	0.			0.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))		0.	0.			0.

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I	0.	0.				0.
	Enter here and on page 1, Part I, line 11, col. (A).	Enter here and on page 1, Part I, line 11, col. (B).				Enter here and on page 1, Part II, line 27.
Totals, Part II (lines 1-5)		0.	0.			0.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14			0.

THE MILFORD HOSPITAL, INC.

06-0646741

FORM 990-T	INCOME (LOSS) FROM PARTNERSHIPS	STATEMENT 1
------------	---------------------------------	-------------

DESCRIPTION	AMOUNT
INCOME FROM PARTNERSHIP	-1,545.
TOTAL TO FORM 990-T, PAGE 1, LINE 5	-1,545.

FORM 990-T	OTHER INCOME	STATEMENT 2
------------	--------------	-------------

DESCRIPTION	AMOUNT
OTHER INCOME	72,975.
TOTAL TO FORM 990-T, PAGE 1, LINE 12	72,975.

FORM 990-T	OTHER DEDUCTIONS	STATEMENT 3
------------	------------------	-------------

DESCRIPTION	AMOUNT
BLOOD DRAWING FEES	442,959.
SUPPLIES	49,729.
MALPRACTICE INSURANCE	1,076.
HOUSEKEEPING	15,388.
PURCHASING	1,781.
BILLING	663.
PLANT OPERATION	4,788.
AUTO	66,810.
MISCELLANEOUS	4,018.
OUTSIDE SERVICES	600.
TOTAL TO FORM 990-T, PAGE 1, LINE 28	587,812.

FORM 990-T	PARENT CORPORATION'S NAME AND IDENTIFYING NUMBER	STATEMENT 4
------------	--	-------------

CORPORATION'S NAME	IDENTIFYING NO
MILFORD HEALTH & MEDICAL, INC.	22-2627346

**SCHEDULE O
(Form 1120)**Department of the Treasury
Internal Revenue Service**Consent Plan and Apportionment Schedule
for a Controlled Group**

OMB No. 1545-0123

► Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-L, 1120-PC, 1120-REIT, or 1120-RIC.
► See separate instructions.**2011**

Name

Employer identification number

THE MILFORD HOSPITAL

06-0646741

Part I Apportionment Plan Information**1 Type of controlled group:**

- a Parent-subsidiary group
- b Brother-sister group
- c Combined group
- d Life insurance companies only

2 This corporation has been a member of this group:

- a For the entire year.
- b From _____, until _____

3 This corporation consents and represents to:

- a Adopt an apportionment plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on _____, and for all succeeding tax years.
- b Amend the current apportionment plan. All the other members of this group are currently amending a previously adopted plan, which was in effect for the tax year ending _____, and for all succeeding tax years.
- c Terminate the current apportionment plan and not adopt a new plan. All the other members of this group are not adopting an apportionment plan.
- d Terminate the current apportionment plan and adopt a new plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on _____, and for all succeeding tax years.

4 If you checked box 3c or 3d above, check the applicable box below to indicate if the termination of the current apportionment plan was:

- a Elected by the component members of the group.
- b Required for the component members of the group.

5 If you did not check a box on line 3 above, check the applicable box below concerning the status of the group's apportionment plan (see instructions).

- a No apportionment plan is in effect and none is being adopted.
- b An apportionment plan is already in effect. It was adopted for the tax year ending **SEPTEMBER 30, 2006**, and for all succeeding tax years.

6 If all the members of this group are adopting a plan or amending the current plan for a tax year after the due date (including extensions) of the tax return for this corporation, is there at least one year remaining on the statute of limitations from the date this corporation filed its amended return for such tax year for assessing any resulting deficiency? See instructions.

- a Yes.
 - (i) The statute of limitations for this year will expire on _____.
 - (ii) On _____, this corporation entered into an agreement with the Internal Revenue Service to extend the statute of limitations for purposes of assessment until _____.
- b No. The members may not adopt or amend an apportionment plan.

7 Required information and elections for component members. Check the applicable box(es) (see instructions).

- a The corporation will determine its tax liability by applying the maximum tax rate imposed by section 11 to the entire amount of its taxable income.
- b The corporation and the other members of the group elect the FIFO method (rather than defaulting to the proportionate method) for allocating the additional taxes for the group imposed by section 11(b)(1).
- c The corporation has a short tax year that does not include December 31.

For Paperwork Reduction Act Notice, see Instructions for Form 1120.

Schedule O (Form 1120) (2011)

113335 12-12-11 JWA

Taxable Income Announcement (See instructions)

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Caution: Each total in Part II, column (g) for each component member must equal taxable income from Form 1120, page 1, line 30 or the comparable line of such member's tax return.

Schedule O (Form 1120) (2011)

Part III Income Tax Apportionment (See Instructions)

		Income Tax Apportionment						
		(a) Group member's name	(b) 15%	(c) 25%	(d) 34%	(e) 35%	(f) 5%	(g) 3%
1	THE MILFORD HOSPITAL							
2	SEABRIDGE CORP & SUB							
3	TORRY CORPORATION							
4	MILFORD HEALTH & MEDICAL, INC.							
5								
6								
7								
8								
9								
10								
11								
12								
Total								

Schedule O (Form 1120) (2011)

Part IV Other Apportionments (See instructions)

		Other Apportionments				
	(a) Group member's name	(b) Accumulated earnings credit	(c) AMT exemption amount	(d) Phaseout of AMT exemption amount	(e) Penalty for failure to pay estimated tax	(f) Other
1	THE MILFORD HOSPITAL			10,000.		
2	SEABRIDGE CORP & SUB			10,000.		
3	TORRY CORPORATION			10,000.		
4	MILFORD HEALTH & MEDICAL, INC.			10,000.		
5						
6						
7						
8						
9						
10						
11						
12						
Total				40,000.		

Schedule O (Form 1120) (2011)

Form CT-990T
Connecticut Unrelated Business Income Tax Return

2011

Enter Income Year Beginning ► OCTOBER 1, 2011, and Ending ► SEPTEMBER 30, 2012

DRS Use Only	Organization name (please type or print) THE MILFORD HOSPITAL, INC.	CT Tax Registration Number 6560023
Audited by	Address number and street 300 SEASIDE AVENUE	DRS use only - - 20
<input type="checkbox"/> F	PO Box	
<input type="checkbox"/> O	City or town MILFORD, CT 06460	State ZIP code
Init.		Federal Employer ID Number (FEIN) 06-0646741

Check and Complete All Applicable Boxes

If the organization is annualizing its income check here ►

Change of: Mailing address Closing month (Attach explanation.) Return status: Amended return Initial return Final return

If final return: Dissolved Withdrawn Merged/reorganized: Enter survivor's CT Tax Reg. Number.

Type of organization: ► Corporation ► Domestic trust ► Foreign trust ► Other: Explain _____

1. Date unrelated trade or business began in Connecticut:

2. Nature of unrelated trade or business income activity: **LABORATORY SERVICES**

3. **Corporation only:** Enter state of incorporation: **CT**

Date of organization: _____

Date qualified in Connecticut if not incorporated in Connecticut:

- Attach a Complete Copy of Form 990-T Including all Schedules as Filed With the Internal Revenue Service -

Computation of Income

1. Federal unrelated business taxable income from 2011 federal Form 990-T, Part II, Line 34	► 1	0 00
2. Federal net operating loss deduction from 2011 federal Form 990-T, Part II, Line 31	► 2	91,923 00
3. Federal deduction for Connecticut tax on unrelated business taxable income	► 3	0 00
4. Total: Add Lines 1, 2, and 3	► 4	91,923 00
5. Refund or credit for overpayment of Connecticut tax included in federal unrelated business taxable income	► 5	0 00
6. Unrelated business taxable income: Subtract Line 5 from Line 4	► 6	91,923 00

Computation of Tax

1. Unrelated business taxable income from Line 6 above. If 100% Connecticut, enter also on Line 3	► 1	91,923 00
2. Apportionment fraction from Schedule A, Line 5, page 2. Carry to six places	► 2	1.000000
3. Connecticut unrelated business taxable income: Line 1 or Line 1 multiplied by Line 2	► 3	91,923 00
4. Operating loss carryover from Schedule B, Line 12 on page 2	► 4	91,923 00
5. Income subject to tax: Subtract Line 4 from Line 3	► 5	0 00
6. Tax: Multiply Line 5 by 7.5% (.075)	► 6	0 00

Computation of Amount Payable

1. Tax: Include surtax if applicable. See instructions	► 1	0 00
2. Reserved for future use	► 2	
3. Total Tax: Enter the amount from Line 1	► 3	0 00
4. Tax credits from Form CT-1120K, Part III, Line 9. Do not exceed amount on Line 1	► 4	0 00
5. Balance of tax payable: Subtract Line 4 from Line 3. If zero or less, enter "0."	► 5	0 00
6a. Paid with application for extension from Form CT-990T EXT	► 6a	0 00
6b. Paid with estimates from Forms CT-990T ESA, ESB, ESC, & ESD	► 6b	0 00
6c. Overpayment from prior year	► 6c	0 00
6. Tax Payments: Enter the total of Lines 6a, 6b, and 6c	► 6	0 00
7. Balance of tax due (overpaid): Subtract Line 6 from Line 5	► 7	0 00
8. Add Penalty ► (8a) Interest ► (8b) CT-1120I Interest ► (8c)	► 8	0 00
9. Amount to be credited to 2012 estimated tax ► (9a) Refunded ► (9b)	► 9	0 00

For faster refund, use Direct Deposit by completing Lines 9c, 9d, and 9e.

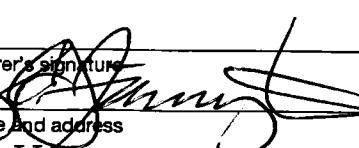
9c. Checking ► Savings ► 9d. Routing number ► _____

9e. Account number ► 9f. Will this refund go to a bank account outside the U.S.? ► Yes

10. **Balance due with this return:** Add Line 7 and Line 8 ► 10 0 00

Visit the DRS website at www.ct.gov/DRS TSC Mail to: Dept. of Revenue Services, State of Connecticut, Make check payable to:
www.ct.gov/TSC to pay electronically. Taxpayer Service Center PO Box 5014, Hartford CT 06102-5014 Commissioner of Revenue Services

Declaration: I declare under penalty of law that I have examined this return (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false return or document to the Department of Revenue Services (DRS) is a fine of not more than \$5,000, imprisonment for not more than five years, or both. The declaration of a paid preparer other than the taxpayer is based on all information of which the preparer has any knowledge.

Sign Here	Signature of officer or fiduciary	Date	May DRS contact the preparer shown below about this return? See instructions.
Keep a copy of this return for your records.	Title	Telephone number (203) 876-4000	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Paid preparer's signature 	Date 8/9/13	Preparer's SSN or PTIN P00370668
1019	Firm's name and address MARCUS LLP	FEIN	Telephone number
141901 12-27-11	HARTFORD, CT 06103	11-1986323	860-549-8500

Schedule A - Unrelated Business Income Apportionment: See instructions.

Complete this schedule if the taxpayer's unrelated trade or business is conducted at a regular place of business outside Connecticut.

Factor	Item	Column A Connecticut	Column B Everywhere	Column C Divide Column A by Column B. Carry to six places
Property (Average value)	1. (a) Inventories	00	00	
	(b) Tangible property	00	00	
	(c) Real property	00	00	
	(d) Capitalized rent	00	00	
	1. Total	00	00	1.000000
Receipts	2. (a) Sales of tangibles	00	00	
	(b) Services	00	00	
	(c) Rentals	00	00	
	(d) Other	00	00	
	2. Total	00	00	1.000000
Wages, salaries, and other compensation	3. Total	00	00	1.000000
	4. Total: Add Lines 1, 2, and 3 in Column C.			3.000000
	5. Apportionment fraction: Divide Line 4 by number of factors used. Enter here; on Schedule C, Line 4; and also on front page, Computation of Tax, Line 2.			1.000000

Schedule B - Connecticut Apportioned Operating Loss Carryover

1. 2000 Connecticut net operating loss available for use in 2011	1.	475,424	00
2. 2001 Connecticut net operating loss available for use in 2011	2.	581,511	00
3. 2002 Connecticut net operating loss available for use in 2011	3.	680,374	00
4. 2003 Connecticut net operating loss available for use in 2011	4.	876,926	00
5. 2004 Connecticut net operating loss available for use in 2011	5.	908,250	00
6. 2005 Connecticut net operating loss available for use in 2011	6.	660,076	00
7. 2006 Connecticut net operating loss available for use in 2011	7.	507,909	00
8. 2007 Connecticut net operating loss available for use in 2011	8.	183,569	00
9. 2008 Connecticut net operating loss available for use in 2011	9.	295,148	00
10. 2009 Connecticut net operating loss available for use in 2011	10.	335,022	00
11. 2010 Connecticut net operating loss available for use in 2011	11.	171,035	00
12. Total: Add Lines 1 through 11. Enter here and on Computation of Tax, Line 4	12.	5,675,244	00

Schedule C - Computation of Net Operating Loss Carryforward

1. Enter amount from Computation of Income, Line 6, if less than zero	1.	00	
2. Add back specific deduction from 2011 federal Form 990-T, Part II, Line 33	2.	00	
3. Subtotal: Add Line 1 and Line 2	3.	00	
4. Apportionment fraction from Schedule A, Line 5	4.		
5. 2011 Connecticut net operating loss available for carryforward: Multiply Line 3 by Line 4	5.		00

Form CT-990T Page 2 (Rev. 12/11)

Department of Revenue Services
State of Connecticut
PO Box 5014
Hartford CT 06102-5014
(Rev. 12/11)

Form CT-990T EXT
Application for Extension of Time to File
Unrelated Business Income Tax Return

2011

See instructions.

Enter Income Year Beginning ►

OCT 1 , 2011, and Ending ►

SEP 30 , 2012

Taxpayer (Please type or print)		Organization name THE MILFORD HOSPITAL, INC.	CT Tax Registration Number 6560023
		Address 300 SEASIDE AVENUE	DRS use only - 20
		City or town MILFORD, CT 06460	Federal Employer ID Number (FEIN) 06-0646741

Request for six-month extension of time to file Form CT-990T only

Enter above the beginning and ending dates of the organization's income year, Connecticut Tax Registration Number, and FEIN.

Check type of organization: Corporation Domestic trust Foreign trust Other

An application for an extension to file Form CT-990T, with payment of tax tentatively believed to be due, must be submitted whether or not an application for federal extension has been approved.

I request a **six-month extension of time to file Form CT-990T, Connecticut Unrelated Business Income Tax Return, for calendar year 2011, or until 08/15/13 for fiscal year ending 09/30/12**

A federal extension will be requested on federal Form 8868, Application for Extension of Time to File an Exempt Organization Return, for calendar year 2011, or fiscal year beginning **OCTOBER 1 , 2011, and ending SEPTEMBER 30 , 2011** Yes No

If No, the reason for the Connecticut extension is _____

Notification will be sent only if extension request is denied

Tentative Return

Computation	1. Tentative amount of tax due for this income year, including surtax if applicable (See instr)	1.	00
	2. Reserved for future use	2.	00
	3. Total amount of tax due for this income year: Enter amount from Line 1	3.	00
	4a. Tax credits	4a	00
	4b. Payments of estimated tax	4b	00
	4c. Overpayment from prior year	4c	00
4. Total tax credit and payments: Add Lines 4a, 4b, and 4c	4.	00	
5. Balance due with this return: Subtract Line 4 from Line 3	5.	0 00	

Make check payable to **Commissioner of Revenue Services**. Write the organization's Connecticut Tax Registration Number and "2011 Form CT-990T EXT" on the check and attach it to the return.

Mail this return to: Department of Revenue Services
State of Connecticut
PO Box 5014
Hartford CT 06102-5014

www.ct.gov/DRS
Visit the DRS
Taxpayer Service **TSC**
Center (TSC) Taxpayer Service Center
at www.ct.gov/TSC to pay
this return electronically.

Declaration: I declare under penalty of law that I have examined this return (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false return or document to the Department of Revenue Services (DRS) is a fine of not more than \$5,000, imprisonment for not more than five years, or both. The declaration of a paid preparer other than the taxpayer is based on all information of which the preparer has any knowledge.

Signature of officer or fiduciary <i>John J. Young</i>	Title <i>CA</i>	Date <i>1/18/13</i>	Telephone number (203) 876-4000
Paid preparer's signature <i>John J. Young</i>	CA	Date <i>1/18/13</i>	Preparer's SSN or PTIN P00370668
Firm's name and address MARCUM LLP CITY PLACE II 185 ASYLUM STREET HARTFORD, CT 06103			FEIN 11-1986323
			Telephone number 860-549-8500

1019

141911
12-27-11

12320117 756977 SK6865

2011.05030 THE MILFORD HOSPITAL, INC. SK68651

Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))

2011

For calendar year 2011 or other tax year beginning OCT 1, 2011, and ending SEP 30, 2012

A Check box if
address changedName of organization (Check box if name changed and see instructions.)D Employer identification number
(Employees' trust, see
instructions.)

B Exempt under section

501(C)(3)
 408(e) 220(e)
 408A 530(a)
 529(a)

THE MILFORD HOSPITAL, INC.

06-0646741

Print
or
Type

Number, street, and room or suite no. If a P.O. box, see instructions.

E Unrelated business activity codes
(See instructions.)

300 SEASIDE AVENUE

541610 621500

City or town, state, and ZIP code

MILFORD, CT 06460

C Book value of all assets
at end of year

F Group exemption number (See instructions.) ►

58,315,458.

G Check organization type ► 501(c) corporation 501(c) trust 401(a) trust Other trust

H Describe the organization's primary unrelated business activity. ► LABORATORY SERVICES

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ► Yes No

If "Yes," enter the name and identifying number of the parent corporation. ► SEE STATEMENT 4

J The books are in care of ► JOSEPH PELACCIA

Telephone number ► 203-876-4230

Part I Unrelated Trade or Business Income

		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales	4,812,908.		
b	Less returns and allowances	1,871,478.	c Balance	►
1c		2,941,430.		
2				
3	Gross profit. Subtract line 2 from line 1c	2,941,430.		2,941,430.
4a	Capital gain net income (attach Schedule D)			
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)			
c	Capital loss deduction for trusts			
5	Income (loss) from partnerships and S corporations (attach statement)			
6	Rent income (Schedule C)			
7	Unrelated debt-financed income (Schedule E)			
8	Interest, annuities, royalties, and rents from controlled organizations (Sch. F)			
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)			
10	Exploited exempt activity income (Schedule I)			
11	Advertising income (Schedule J)			
12	Other income (See instructions; attach schedule.)	STATEMENT 2		
13	Total. Combine lines 3 through 12	3,012,860.		3,012,860.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

(Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K)		14	
15	Salaries and wages		15	1,832,859.
16	Repairs and maintenance		16	16,419.
17	Bad debts		17	45,686.
18	Interest (attach schedule)		18	
19	Taxes and licenses		19	12,544.
20	Charitable contributions (See instructions for limitation rules.)		20	
21	Depreciation (attach Form 4562)	21	1,256.	
22	Less depreciation claimed on Schedule A and elsewhere on return	22a		1,256.
23	Depletion		23	
24	Contributions to deferred compensation plans		24	
25	Employee benefit programs		25	424,361.
26	Excess exempt expenses (Schedule I)		26	
27	Excess readership costs (Schedule J)		27	
28	Other deductions (attach schedule)		28	587,812.
29	Total deductions. Add lines 14 through 28		29	2,920,937.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13		30	91,923.
31	Net operating loss deduction (limited to the amount on line 30)		31	91,923.
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30		32	0.
33	Specific deduction (Generally \$1,000, but see instructions for exceptions.)		33	1,000.
34	Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32		34	0.

Part III Tax Computation35 **Organizations Taxable as Corporations.** See instructions for tax computation.Controlled group members (sections 1561 and 1563) check here ► See instructions and:

a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):

(1) \$ 50,000. (2) \$ 25,000. (3) \$ 9,925,000.

b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$

(2) Additional 3% tax (not more than \$100,000) \$

c Income tax on the amount on line 34 ► 35c 0.

36 **Trusts Taxable at Trust Rates.** See instructions for tax computation. Income tax on the amount on line 34 from: Tax rate schedule or Schedule D (Form 1041) ► 3637 **Proxy tax.** See instructions ► 3738 **Alternative minimum tax** ► 3839 **Total.** Add lines 37 and 38 to line 35c or 36, whichever applies ► 39 0.**Part IV Tax and Payments**

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) ► 40a

b Other credits (see instructions) ► 40b

c General business credit. Attach Form 3800 ► 40c

d Credit for prior year minimum tax (attach Form 8801 or 8827) ► 40d

e Total credits. Add lines 40a through 40d ► 40e 0.

41 Subtract line 40e from line 39 ► 41 0.

42 Other taxes. Check if from: Form 4255 Form 8611 Form 8697 Form 8866 Other (attach schedule) ► 42

43 Total tax. Add lines 41 and 42 ► 43 0.

44a Payments: A 2010 overpayment credited to 2011 ► 44a

b 2011 estimated tax payments ► 44b

c Tax deposited with Form 8868 ► 44c

d Foreign organizations: Tax paid or withheld at source (see instructions) ► 44d

e Backup withholding (see instructions) ► 44e

f Credit for small employer health insurance premiums (Attach Form 8941) ► 44f

g Other credits and payments: Form 2439 Form 4136 Other

Total ► 44g

45 Total payments. Add lines 44a through 44g ► 45

46 Estimated tax penalty (see instructions). Check if Form 2220 is attached ► 46

47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed ► 47 0.

48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid ► 48 0.

49 Enter the amount of line 48 you want: Credited to 2012 estimated tax ► Refunded ► 49

Part V Statements Regarding Certain Activities and Other Information (see instructions)

1 At any time during the 2011 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and

 Yes No2 Financial Accounts. If YES, enter the name of the foreign country here ► X Yes No3 During the tax year did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file. X3 Enter the amount of tax-exempt interest received or accrued during the tax year ► \$ Yes No**Schedule A - Cost of Goods Sold.** Enter method of inventory valuation ► N/A

1 Inventory at beginning of year	1	6 Inventory at end of year	6	Yes <input type="checkbox"/> No <input type="checkbox"/>
2 Purchases	2	7 Cost of goods sold. Subtract line 6		
3 Cost of labor	3	from line 5. Enter here and in Part I, line 2	7	
4a Additional section 263A costs	4a	8 Do the rules of section 263A (with respect to		Yes <input type="checkbox"/> No <input type="checkbox"/>
b Other costs (attach schedule)	4b	property produced or acquired for resale) apply to		
5 Total. Add lines 1 through 4b	5	the organization?		X

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 taxpayer) is based on all information of which preparer has any knowledge.

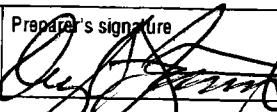
May the IRS discuss this return with the preparer shown below (see instructions)? Yes No**Sign Here**

Signature of officer

Date

Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
DOUGLAS FARRINGTON		8/8/13		P00370668
Firm's name ► MARCUM LLP				Firm's EIN ► 11-1986323
CITY PLACE II 185 ASYLUM STREET				
Firm's address ► HARTFORD, CT 06103				Phone no. 860-549-8500

Application for Extension of Time To File an Exempt Organization Return

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete **only Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete **only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which 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/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only

All other corporations (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	Name of exempt organization or other filer, see instructions. THE MILFORD HOSPITAL, INC.	Employer identification number (EIN) or <input checked="" type="checkbox"/> 06-0646741
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 300 SEASIDE AVENUE	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. MILFORD, CT 06460	

Enter the Return code for the return that this application is for (file a separate application for each return) 07

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

JOSEPH PELACCIA

- The books are in the care of ► **300 SEASIDE AVENUE - MILFORD, CT 06460**

Telephone No. ► **203-876-4230** FAX No. ► **(203) 876-4637**

- 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 EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2013**, to file the exempt organization return for the organization named above. The extension

is for the organization's return for:

► calendar year or
► tax year beginning **OCT 1, 2011**, and ending **SEP 30, 2012**

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Form 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.	3b	\$	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.	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form 8868 (Rev. 1-2012)

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)(see instructions)

1. Description of property

(1)	
(2)	
(3)	
(4)	

2. Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		

Total 0. Total 0.

(b) Total deductions.

Enter here and on page 1, Part I, line 6, column (B) ►

0.

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ►

0.

Schedule E - Unrelated Debt-Financed Income (see instructions)

1. Description of debt-financed property	2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property	
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)
(1)			
(2)			
(3)			
(4)			
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Totals			Enter here and on page 1, Part I, line 7, column (A). ►
			Enter here and on page 1, Part I, line 7, column (B). ►
		0.	0.

Total dividends-received deductions included in column 8 ►

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
Totals			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A). ►	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B). ►
			0.	0.

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Form 990-T (2011)

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization
 (see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
Totals	► 0.	Enter here and on page 1, Part I, line 9, column (A).	Enter here and on page 1, Part I, line 9, column (B).	0.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income
 (see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals	► 0.	Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 26.
			0.			0.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))	► 0.	0.				0.

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I	0.	0.				0.
	Enter here and on page 1, Part I, line 11, col. (A).	Enter here and on page 1, Part I, line 11, col. (B).				Enter here and on page 1, Part II, line 27.
Totals, Part II (lines 1-5)	► 0.	0.				0.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14	►		0.

THE MILFORD HOSPITAL, INC.

06-0646741

FORM 990-T INCOME (LOSS) FROM PARTNERSHIPS STATEMENT 1

DESCRIPTION	AMOUNT
INCOME FROM PARTNERSHIP	-1,545.
TOTAL TO FORM 990-T, PAGE 1, LINE 5	-1,545.

FORM 990-T OTHER INCOME STATEMENT 2

DESCRIPTION	AMOUNT
OTHER INCOME	72,975.
TOTAL TO FORM 990-T, PAGE 1, LINE 12	72,975.

FORM 990-T OTHER DEDUCTIONS STATEMENT 3

DESCRIPTION	AMOUNT
BLOOD DRAWING FEES	442,959.
SUPPLIES	49,729.
MALPRACTICE INSURANCE	1,076.
HOUSEKEEPING	15,388.
PURCHASING	1,781.
BILLING	663.
PLANT OPERATION	4,788.
AUTO	66,810.
MISCELLANEOUS	4,018.
OUTSIDE SERVICES	600.
TOTAL TO FORM 990-T, PAGE 1, LINE 28	587,812.

FORM 990-T PARENT CORPORATION'S NAME AND IDENTIFYING NUMBER STATEMENT 4

CORPORATION'S NAME	IDENTIFYING NO
MILFORD HEALTH & MEDICAL, INC.	22-2627346

SCHEDULE O
(Form 1120)Department of the Treasury
Internal Revenue Service**Consent Plan and Apportionment Schedule
for a Controlled Group**► Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-L, 1120-PC, 1120-REIT, or 1120-RIC.
► See separate instructions.

OMB No. 1545-0123

2011

Name

Employer identification number

THE MILFORD HOSPITAL**06-0646741****Part I: Apportionment Plan Information****1 Type of controlled group:**

- a Parent-subsidiary group
- b Brother-sister group
- c Combined group
- d Life insurance companies only

2 This corporation has been a member of this group:

- a For the entire year.
- b From _____, until _____.

3 This corporation consents and represents to:

- a Adopt an apportionment plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on _____, and for all succeeding tax years.
- b Amend the current apportionment plan. All the other members of this group are currently amending a previously adopted plan, which was in effect for the tax year ending _____, and for all succeeding tax years.
- c Terminate the current apportionment plan and not adopt a new plan. All the other members of this group are not adopting an apportionment plan.
- d Terminate the current apportionment plan and adopt a new plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on _____, and for all succeeding tax years.

4 If you checked box 3c or 3d above, check the applicable box below to indicate if the termination of the current apportionment plan was:

- a Elected by the component members of the group.
- b Required for the component members of the group.

5 If you did not check a box on line 3 above, check the applicable box below concerning the status of the group's apportionment plan (see instructions).

- a No apportionment plan is in effect and none is being adopted.
- b An apportionment plan is already in effect. It was adopted for the tax year ending SEPTEMBER 30, 2006, and for all succeeding tax years.

6 If all the members of this group are adopting a plan or amending the current plan for a tax year after the due date (including extensions) of the tax return for this corporation, is there at least one year remaining on the statute of limitations from the date this corporation filed its amended return for such tax year for assessing any resulting deficiency? See instructions.

- a Yes.
 - (i) The statute of limitations for this year will expire on _____.
 - (ii) On _____, this corporation entered into an agreement with the Internal Revenue Service to extend the statute of limitations for purposes of assessment until _____.
- b No. The members may not adopt or amend an apportionment plan.

7 Required information and elections for component members. Check the applicable box(es) (see instructions).

- a The corporation will determine its tax liability by applying the maximum tax rate imposed by section 11 to the entire amount of its taxable income.
- b The corporation and the other members of the group elect the FIFO method (rather than defaulting to the proportionate method) for allocating the additional taxes for the group imposed by section 11(b)(1).
- c The corporation has a short tax year that does not include December 31.

For Paperwork Reduction Act Notice, see Instructions for Form 1120.

Schedule O (Form 1120) (2011)

113335 12-12-11 JWA

Taxable Income Assignment (See instructions)

Taxable Income Assignment (See instructions)

Caution: Each total in Part II, column (g) for each component member must equal taxable income from Form 1120, page 1, line 30 or the comparable line of such member's tax return.

(a) Group member's name and employer identification number		Taxable Income Amount Allocated to Each Bracket			
(b) Tax year end (Yr-Mo)	(c) 15%	(d) 25%	(e) 34%	(f) 35%	(g) Total (add columns (c) through (f))
1 THE MILFORD HOSPITAL	06-0646741	12-09			0.
2 SEABRIDGE CORP & SUB	22-2626962	12-09			0.
3 TERRY CORPORATION	01-0724230	12-09			0.
4 MILFORD HEALTH & MEDICAL, INC.	22-2627346	12-09			0.
5					
6					
7					
8					
9					
10					
11					
12					
					Total

Schedule O (Form 1120) (2011)

	(a) Group member's name	Income Tax Apportionment						(h) Total income tax (combine lines (b) through (g))
		(b) 15%	(c) 25%	(d) 34%	(e) 35%	(f) 5%	(g) 3%	
1	THE MILFORD HOSPITAL							
2	SEABRIDGE CORP & SUB							
3	TORRY CORPORATION							
4	MILFORD HEALTH & MEDICAL, INC.							
5								
6								
7								
8								
9								
10								
11								
12								
	Total							

Part IV Other Apportionments (See instructions)

	(a) Group member's name	Other Apportionments			
		(b) Accumulated earnings credit	(c) AMT exemption amount	(d) Phaseout of AMT exemption amount	(e) Penalty for failure to pay estimated tax
1	THE MILFORD HOSPITAL			10,000.	
2	SEABRIDGE CORP & SUB			10,000.	
3	TORRY CORPORATION			10,000.	
4	MILFORD HEALTH & MEDICAL, INC.			10,000.	
5					
6					
7					
8					
9					
10					
11					
12					
Total				40,000.	

Schedule O (Form 1120) (2011)