
**FEDERAL FORM 990
RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

PUBLIC DISCLOSURE COPY

Return of Organization Exempt From Income Tax

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

- ▶ Do not enter social security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2014 calendar year, or tax year beginning 10/01, 2014, **and ending** 09/30, 2015

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization CONNECTICUT CHILDREN'S MEDICAL CENTER			D Employer identification number 06-0646755	
	Doing business as			E Telephone number (860) 545-9000	
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 282 WASHINGTON STREET		G Gross receipts \$ 321,320,086.		
	City or town, state or province, country, and ZIP or foreign postal code HARTFORD, CT 06106-3322			H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
F Name and address of principal officer: JAMES E. SHMERLING, DHA, FACHE 282 WASHINGTON STREET HARTFORD, CT 06106			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.CONNECTICUTCHILDRENS.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: 1921 M State of legal domicile: CT	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: CONNECTICUT CHILDREN'S MEDICAL CENTER IS DEDICATED TO IMPROVING THE PHYSICAL AND EMOTIONAL HEALTH OF CHILDREN THROUGH FAMILY-CENTERED CARE, RESEARCH, EDUCATION AND ADVOCACY.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	25.	
	4	23.	
	5	1,865.	
	6	361.	
	7a	0	
7b	0		
Revenue	8	Prior Year	Current Year
	Contributions and grants (Part VIII, line 1h)	22,283,833.	22,898,068.
	Program service revenue (Part VIII, line 2g)	254,620,325.	294,961,171.
	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	6,057,393.	1,174,785.
	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,216,605.	1,251,414.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	284,178,156.	320,285,438.
Expenses	13	0	0
	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
	Benefits paid to or for members (Part IX, column (A), line 4)	136,770,151.	144,710,363.
	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0	0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 2,631,140.	143,111,168.	143,339,977.
Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	279,881,319.	288,050,340.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	4,296,837.	32,235,098.	
19 Revenue less expenses. Subtract line 18 from line 12	Beginning of Current Year	End of Year	
Net Assets or Fund Balances	20	393,459,433.	380,119,520.
	Total assets (Part X, line 16)	192,857,468.	181,869,675.
	21 Total liabilities (Part X, line 26)	200,601,965.	198,249,845.
22 Net assets or fund balances. Subtract line 21 from line 20			

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 _____			
	Type or print name and title _____			
Paid Preparer Use Only	Print/Type preparer's name SCOTT J MARIANI	Preparer's signature _____	Date _____	Check <input type="checkbox"/> if self-employed PTIN P00642486
	Firm's name ▶ WITHUMSMITH+BROWN, PC		Firm's EIN ▶ 22-2027092	
	Firm's address ▶ 465 SOUTH ST STE 200 MORRISTOWN, NJ 07960-6497		Phone no. 973-898-9494	

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

For Paperwork Reduction Act Notice, see the separate instructions.

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III Yes No

1 Briefly describe the organization's mission:

ATTACHMENT 1

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

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

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

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

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

4a (Code: _____) (Expenses \$ 216,982,388. including grants of \$ 0.) (Revenue \$ 294,961,171.)

ACUTE CARE CHILDREN'S HOSPITAL: EXPENSES INCURRED TO PROVIDE ACUTE CARE INPATIENT AND OUTPATIENT SERVICES TO CHILDREN FROM CONNECTICUT AND THE SURROUNDING AREA. IN FISCAL YEAR 2014 THERE WERE 6,021 ADMISSIONS AND 77,122 OUTPATIENT VISITS. PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT.

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 **▶** 216,982,388.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

		Yes	No
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>		X
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i>	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a.</i>	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?.		X
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i>		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i>		X
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II.</i>		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? <i>If "Yes," complete Schedule L, Part III.</i>		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		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? <i>If "Yes," complete Schedule L, Part IV.</i>	X	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i>		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i>		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i>		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1.</i>	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>	X	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i>		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with columns for line numbers (1a-14b), descriptions of questions, and Yes/No response columns. Includes entries for Form 1096, Form W-2G, Form W-3, Form 990-T, Form 8886-T, Form 8282, Form 8899, Form 1098-C, Form 990, Form 720, and Form 700.

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 or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include 1a (25), 1b (23), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

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

Table with 3 columns: Question, Yes, No. Rows include 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed
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.
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, address, and telephone number of the person who possesses the organization's books and records:

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

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

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 (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) E. CLAYTON GENGRAS III CHAIRMAN - DIRECTOR	1.00 0	X		X				0	0	0
(2) WILLIAM C. POPIK, M.D. VICE CHAIRMAN - DIRECTOR	1.00 0	X		X				0	0	0
(3) ROBERT J. SHANFIELD SECRETARY - DIRECTOR	1.00 0	X		X				0	0	0
(4) GENO AURIEMMA DIRECTOR	1.00 0	X						0	0	0
(5) MARILYN A. BACON, M.D. DIRECTOR	1.00 0	X						0	0	0
(6) THOMAS O. BARNES DIRECTOR	1.00 0	X						0	0	0
(7) CRAIG BONANNI, M.D. DIR; EX-OFFICIO-PRES MED STAFF	1.00 0	X						0	0	0
(8) JAMES W. FANELLI, CFP DIRECTOR	1.00 0	X						0	0	0
(9) SCOTT W. FANNING DIRECTOR	1.00 0	X						0	0	0
(10) MARTIN J. GAVIN DIRECTOR; EX-OFFICIO-PRES/CEO	55.00 0	X		X			486,478.	0	35,594.	0
(11) GLEN R. GREENBERG DIRECTOR	1.00 0	X						0	0	0
(12) SUSAN V. HERBST, PH.D. DIRECTOR	1.00 0	X						0	0	0
(13) JEFFREY S. HOFFMAN DIRECTOR	1.00 0	X						0	0	0
(14) CATO LAURENCIN, M.D., PH.D. DIRECTOR	1.00 0	X						0	0	0

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) SOREN TORP LAURSEN ----- DIRECTOR	1.00 ----- 0	X					0	0	0	
(16) ROBERT M. LE BLANC ----- DIRECTOR	1.00 ----- 0	X					0	0	0	
(17) EDWARD LEWIS ----- DIRECTOR	1.00 ----- 0	X					0	0	0	
(18) JAMES A. MANAFORT, JR. ----- DIRECTOR	1.00 ----- 0	X					0	0	0	
(19) CHRISSY MONACO ----- DIRECTOR; EX-OFFICIO	1.00 ----- 0	X					0	0	0	
(20) KATHERINE O. NIXON ----- DIRECTOR	1.00 ----- 0	X					0	0	0	
(21) KOLAWOLE A. OLOFINBOBA, M.D. ----- DIRECTOR	1.00 ----- 0	X					0	0	0	
(22) DAVID M. ROTH, ESQ. ----- DIRECTOR	1.00 ----- 0	X					0	0	0	
(23) ANNE P. SARGENT ----- DIRECTOR	1.00 ----- 0	X					0	0	0	
(24) CHARLES W. SHIVERY ----- DIRECTOR	1.00 ----- 0	X					0	0	0	
(25) LAUREN K. ZELIGSON ----- DIRECTOR	1.00 ----- 0	X					0	0	0	
1b Sub-total							486,478.	0	35,594.	
c Total from continuation sheets to Part VII, Section A							4,566,620.	809,859.	646,308.	
d Total (add lines 1b and 1c)							5,053,098.	809,859.	681,902.	

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 ► 135

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 2		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ► 51

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(26) H. MARK LUNENBURG ----- DIRECTOR (TERMED 01/15)	1.00 ----- 0	X					0	0	0	
(27) SALLY MACGILPIN ----- DIRECTOR (TERMED 01/15)	1.00 ----- 0	X					0	0	0	
(28) FRANK TORTI, M.D., MPH ----- DIRECTOR (TERMED 01/15)	1.00 ----- 0	X					0	0	0	
(29) PATRICK J. GARVEY, CPA, CHFP ----- TREASURER; SVP/CFO	55.00 ----- 0			X			254,832.	0	37,789.	
(30) FERNANDO FERRER, M.D. ----- EVP CLINICAL AFFAIRS	55.00 ----- 0			X			0	790,903.	47,380.	
(31) PAUL H. DWORKIN ----- EVP COMMUNITY CHILD HEALTH	55.00 ----- 0			X			402,003.	0	32,133.	
(32) THERESA M. HENDRICKSEN ----- EVP & CHIEF OPERATING OFFICER	55.00 ----- 0			X			397,767.	0	32,788.	
(33) ANN G. TAYLOR, JD ----- EVP & CHIEF ADMIN. OFFICER	55.00 ----- 0			X			331,390.	0	41,556.	
(34) ANDREA L. BENIN, M.D. ----- SVP QUALITY AND PATIENT SAFETY	55.00 ----- 0			X			417,604.	0	47,736.	
(35) KELLY STYLES ----- SVP OPERATIONS & CIO	55.00 ----- 0			X			237,170.	0	23,356.	
(36) LAWRENCE E. MILAN ----- SVP & CHIEF HUMAN RESOURCES	55.00 ----- 0			X			230,635.	0	27,948.	
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

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 **▶** 135

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation

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

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(37) DEAN A. RAPOZA SVP BUSINESS DEVELOPMENT	55.00 0			X				230,357.	18,956.	50,659.
(38) CHERYL HOEY, RN, BSN, MBA SVP CLINICAL SERVICE & CNO	55.00 0			X				222,233.	0	42,601.
(39) RICHELLE DEMAYO, M.D. CHIEF MED INFORMATION OFFICER	55.00 0			X				261,901.	0	27,283.
(40) THOMAS RICHARDSON CSO - VP MARKEING & COMM	55.00 0			X				175,318.	0	35,394.
(41) JUAN SALAZAR, M.D. PHYSICIAN IN CHIEF	55.00 0				X			335,789.	0	48,658.
(42) BOBBY M. VARGAS ASSOCIATE GENERAL COUNSEL	55.00 0					X		199,874.	0	33,352.
(43) LINDA A. GROOM PROF PRACTICE RN IV	55.00 0					X		194,281.	0	19,790.
(44) JUNG PARK DIR APPLICATION SUPPORT SVCS	55.00 0					X		170,695.	0	28,283.
(45) WILLIAM A. AGOSTINUCCI SR DIR CLINICAL/FAMILY SVS	55.00 0					X		166,781.	0	36,447.
(46) PHILIP B. HOPKINS DIRECTOR TECHNICAL SERVICES	55.00 0					X		165,871.	0	14,702.
(47) BARBARA E. BROWN FORMER HIGHEST COMPENSATED EMP	0 0						X	172,119.	0	18,453.
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

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 ► 135

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation

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

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	555,999.				
	d Related organizations	1d	7,849,025.				
	e Government grants (contributions),	1e	7,833,852.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	6,659,192.				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f			22,898,068.			
	Program Service Revenue				Business Code		
2a NET PATIENT SERVICE REVENUE			541900	293,034,805.	293,034,805.		
b OTHER HEALTHCARE RELATED REVENUE			541900	1,926,366.	1,926,366.		
c							
d							
e							
f All other program service revenue							
g Total. Add lines 2a-2f			294,961,171.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts). ATTACHMENT 3			1,830,188.			1,830,188.
	4 Income from investment of tax-exempt bond proceeds			0			
	5 Royalties			0			
			(i) Real (ii) Personal				
	6a Gross rents		204,929.				
	b Less: rental expenses		147,203.				
	c Rental income or (loss)		57,726.				
	d Net rental income or (loss)			57,726.			57,726.
	7a Gross amount from sales of assets other than inventory		(i) Securities (ii) Other				
	b Less: cost or other basis and sales expenses		655,403.				
	c Gain or (loss)		-655,403.				
	d Net gain or (loss)			-655,403.			-655,403.
	8a Gross income from fundraising events (not including \$ 555,999. of contributions reported on line 1c). See Part IV, line 18	a	ATCH 4	231,854.			
	b Less: direct expenses	b	231,854.				
	c Net income or (loss) from fundraising events.		ATCH 5		0		
9a Gross income from gaming activities. See Part IV, line 19	a	4,529.					
b Less: direct expenses	b	188.					
c Net income or (loss) from gaming activities.		ATCH 6	4,341.			4,341.	
10a Gross sales of inventory, less returns and allowances	a						
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory.				0			
Miscellaneous Revenue			Business Code				
11a FOOD SERVICES		453000	1,162,409.			1,162,409.	
b CONSULTING		541900	26,938.			26,938.	
c							
d All other revenue							
e Total. Add lines 11a-11d			1,189,347.				
12 Total revenue. See instructions			320,285,438.	294,961,171.		2,426,199.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	0			
2 Grants and other assistance to domestic individuals. See Part IV, line 22	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	4,936,242.		4,936,242.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	111,512,834.	86,399,907.	23,218,675.	1,894,252.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	8,019,293.	6,213,331.	1,669,739.	136,223.
9 Other employee benefits	13,225,797.	10,247,319.	2,753,813.	224,665.
10 Payroll taxes	7,016,197.	5,436,135.	1,460,879.	119,183.
11 Fees for services (non-employees):				
a Management	431,276.	329,303.	101,973.	
b Legal	316,360.	10,273.	306,087.	
c Accounting	476,211.		476,211.	
d Lobbying	157,347.	157,347.		
e Professional fundraising services. See Part IV, line 17.	0			
f Investment management fees	0			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) ATCH 7	54,231,667.	48,076,878.	6,141,007.	13,782.
12 Advertising and promotion	940,831.	29,697.	911,134.	
13 Office expenses	5,961,543.	4,125,292.	1,823,760.	12,491.
14 Information technology	5,531,278.	664,673.	4,866,150.	455.
15 Royalties	0			
16 Occupancy	12,307,429.	9,542,467.	2,708,778.	56,184.
17 Travel	390,204.	270,309.	116,085.	3,810.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	1,235,458.	950,010.	277,619.	7,829.
20 Interest	1,230,401.		1,230,401.	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	17,210,640.	10,891,652.	6,168,684.	150,304.
23 Insurance	4,181,836.	3,887,295.	294,541.	
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 <u>MEDICAL SUPPLIES</u>	25,304,960.	25,294,866.	10,048.	46.
b <u>SPECIALITY GROUP SUPPORT</u>	8,152,852.		8,152,852.	
c <u>REPAIRS & MAINTENANCE</u>	2,125,188.	1,964,814.	158,824.	1,550.
d <u>DUES, LICENSES & SUBSCRIPT.</u>	1,347,398.	685,286.	652,551.	9,561.
e All other expenses	1,807,098.	1,805,534.	759.	805.
25 Total functional expenses. Add lines 1 through 24e	288,050,340.	216,982,388.	68,436,812.	2,631,140.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0			

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	3,850,387.	1	8,339,532.
	2 Savings and temporary cash investments	0	2	0
	3 Pledges and grants receivable, net	0	3	0
	4 Accounts receivable, net	30,704,847.	4	31,383,650.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Loans and other 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). Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	1,389,353.	8	1,443,429.
	9 Prepaid expenses and deferred charges	1,369,327.	9	761,737.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	264,443,520.	10a	
	b Less: accumulated depreciation	134,135,876.	10b	
		134,866,693.	10c	130,307,644.
	11 Investments - publicly traded securities	0	11	0
	12 Investments - other securities. See Part IV, line 11	0	12	0
	13 Investments - program-related. See Part IV, line 11	187,760,080.	13	176,116,474.
	14 Intangible assets	0	14	0
15 Other assets. See Part IV, line 11	33,518,746.	15	31,767,054.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	393,459,433.	16	380,119,520.	
Liabilities	17 Accounts payable and accrued expenses	53,241,797.	17	49,959,877.
	18 Grants payable	0	18	0
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	66,250,369.	20	59,216,334.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties ATCH 8	665,091.	23	51,544.
	24 Unsecured notes and loans payable to unrelated third parties	91,406.	24	196,004.
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	72,608,805.	25	72,445,916.	
26 Total liabilities. Add lines 17 through 25	192,857,468.	26	181,869,675.	
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	74,193,342.	27	75,698,045.
	28 Temporarily restricted net assets	26,184,898.	28	29,429,877.
	29 Permanently restricted net assets	100,223,725.	29	93,121,923.
	Organizations that do not follow SFAS 117 (ASC 958), 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	200,601,965.	33	198,249,845.	
34 Total liabilities and net assets/fund balances	393,459,433.	34	380,119,520.	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	320,285,438.
2	Total expenses (must equal Part IX, column (A), line 25)	2	288,050,340.
3	Revenue less expenses. Subtract line 2 from line 1	3	32,235,098.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	200,601,965.
5	Net unrealized gains (losses) on investments	5	0
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-34,587,218.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	198,249,845.

Part XII Financial Statements and Reporting

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

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

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

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Open to Public Inspection

Name of the organization CONNECTICUT CHILDREN'S MEDICAL CENTER	Employer identification number 06-0646755
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 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 in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 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; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 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.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Percentage, and Check box. Rows include: 14 Public support percentage for 2014; 15 Public support percentage from 2013 Schedule A; 16a 33 1/3% support test - 2014; b 33 1/3% support test - 2013; 17a 10%-facts-and-circumstances test - 2014; b 10%-facts-and-circumstances test - 2013; 18 Private foundation.

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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First 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

15 Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2013 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2013 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2014. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

b 33 1/3% support tests - 2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

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

Part IV Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations; (b) individuals that are part of the charitable class benefited by one or more of its supported organizations; or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer (b) below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	11 a	
b A family member of a person described in (a) above?	11 b	
c A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>	11 c	

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	1	
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>	2	
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>	3	

Section E. Type III Functionally-Integrated Supporting Organizations

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

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

- 1** Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).			

Schedule A (Form 990 or 990-EZ) 2014

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2014 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required-see instructions)			
3 Excess distributions carryover, if any, to 2014:			
a			
b			
c			
d			
e From 2013			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2014 distributable amount			
i Carryover from 2009 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2014 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2014 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2014, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6 Remaining underdistributions for 2014. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7 Excess distributions carryover to 2015. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a			
b			
c			
d Excess from 2013			
e Excess from 2014			

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

For Organizations Exempt From Income Tax Under section 501(c) and section 527

2014

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

Open to Public Inspection

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

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

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

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

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

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

Name of organization CONNECTICUT CHILDREN'S MEDICAL CENTER	Employer identification number 06-0646755
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

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

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

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

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

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

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

Schedule C (Form 990 or 990-EZ) 2014

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.														
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:35%; text-align:left;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width:65%; text-align:left;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e.													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.													
Over \$17,000,000	\$1,000,000.													
g Grassroots nontaxable amount (enter 25% of line 1f)														
h Subtract line 1g from line 1a. If zero or less, enter -0-														
i Subtract line 1f from line 1c. If zero or less, enter -0-														
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No												

4-Year Averaging Period Under Section 501(h)

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(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		57,347.
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		232,805.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?		X	
j Total. Add lines 1c through 1i			290,152.
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?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

SEE PAGE 4

Part IV Supplemental Information (continued)

SCHEDULE C, PART II-B, LINES 1A, 1B, 1D, 1F & 1G

CONNECTICUT CHILDREN'S MEDICAL CENTER ADVOCATES FOR CHILD-FRIENDLY POLICIES AT THE CONNECTICUT GENERAL ASSEMBLY AND THE UNITED STATES CONGRESS. ADVOCACY CAN INCLUDE MESSAGING SENT TO LEGISLATORS VIA EMAIL, LETTERS AND SOCIAL MEDIA AND SOMETIMES THE PROVISION OF OPPORTUNITIES FOR MEDICAL CENTER EMPLOYEES, MEDICAL STAFF AND SUPPORTERS IN THE COMMUNITY TO REACH OUT TO THEIR SENATORS AND REPRESENTATIVES BY SHARING ACTION ALERTS THROUGH EMAIL.

MEMBERSHIP DUES ARE PAID TO ORGANIZATIONS WHICH ENGAGE IN LOBBYING EFFORTS ON BEHALF OF THEIR MEMBER HOSPITALS. A PORTION OF THE DUES PAID TO THESE ORGANIZATIONS IS ALLOCATED TOWARDS LOBBYING EFFORTS PERFORMED ON BEHALF OF THIS ORGANIZATION. THIS ALLOCATION AMOUNTED TO \$57,347 IN 2014.

FEES WERE PAID TO AN OUTSIDE INDEPENDENT CONSULTING FIRM TO LOBBY ON BEHALF OF THE MEDICAL CENTER FOR LEGISLATION AFFECTING CHILDREN'S HEALTH IN THE AMOUNT OF \$100,000.

A PORTION OF TWO CONNECTICUT CHILDREN'S MEDICAL CENTER EMPLOYEES' COMPENSATION IS ALLOCATED TO LOBBYING ACTIVITIES; FOR THIS FISCAL YEAR FORM 990 THIS TOTALED \$132,805. PLEASE NOTE THAT THIS AMOUNT IS SHOWN ON CORE FORM, PART IX, LINES 5 AND 7 AS SALARIES EXPENSES.

VOLUNTEER PARTICIPATION IN LOBBYING ACTIVITIES INCLUDING PHONE CALLS,

Part IV Supplemental Information *(continued)*

EMAILS AND LETTERS TO LEGISLATORS AND FEDERAL AND STATE POLICY MAKERS
REGARDING VARIOUS CHILD-RELATED ISSUES. THERE WAS NO MONEY INVOLVED IN
THESE VOLUNTEER TRANSACTIONS.

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

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.

2014

Department of the Treasury Internal Revenue Service

Attach to Form 990.

Open to Public Inspection

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

CONNECTICUT CHILDREN'S MEDICAL CENTER

06-0646755

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.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, aggregate value of grants, and questions about donor informed consent.

Part II Conservation Easements.

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

Table with 2 columns: Description, Held at the End of the Tax Year. Rows include purpose(s) of conservation easements, total number of easements, acreage, and number of easements on historic structures.

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.

Table with 2 columns: Description, Amount. Rows include questions about reporting works of art, historical treasures, or other similar assets held for public exhibition, education, or research.

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

Schedule D (Form 990) 2014

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 XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" 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 XIII and complete the following table:
- | | Amount |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII.

Part V Endowment Funds. Complete if the organization answered "Yes" 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	21,942,979.	19,645,169.	18,169,769.	17,602,539.	16,552,294.
b Contributions	498,716.	431,168.	271,830.	306,275.	461,274.
c Net investment earnings, gains, and losses	1,211,645.	2,467,087.	1,670,841.	632,722.	780,699.
d Grants or scholarships					
e Other expenditures for facilities and programs	1,386,340.	600,445.	467,271.	371,767.	191,728.
f Administrative expenses					
g End of year balance	22,267,000.	21,942,979.	19,645,169.	18,169,769.	17,602,539.

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

- a** Board designated or quasi-endowment %
 - b** Permanent endowment 80.1000 %
 - c** Temporarily restricted endowment 19.9000 %
- 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 XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings		111,616,045.	51,769,899.	59,846,146.
c Leasehold improvements		24,043,869.	8,184,775.	15,859,094.
d Equipment		114,853,142.	74,102,636.	40,750,506.
e Other		13,930,464.	78,566.	13,851,898.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				130,307,644.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ►		

Part VIII Investments - Program Related.

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

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) INTEREST IN CONNECTICUT		
(2) CHILDREN'S MEDICAL CENTER		
(3) FOUNDATION, INC.; A RELATED		
(4) INTERNAL REVENUE CODE		
(5) §501(C)(3) TAX-EXEMPT ORG.	100,379,776.	FMV
(6) FUNDS HELD IN TRUST BY OTHERS	75,285,353.	FMV
(7) RABBI TRUST	251,345.	FMV
(8) NORTHEAST PEDIATRIC		
(9) SPECIALISTS, INC. INVESTMENT	200,000.	FMV
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ►	176,116,474.	

Part IX Other Assets.

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

(a) Description	(b) Book value
(1) INSURANCE RECEIVABLE	18,315,788.
(2) FUNDS HELD BY TRUSTEE UNDER	
(3) REVENUE BOND AGREEMENT	435,186.
(4) BOND ISSUANCE COSTS	627,071.
(5) OTHER RECEIVABLES	1,074,225.
(6) OTHER ASSETS	8,345,021.
(7) DUE FROM AFFILIATED ENTITIES	640,957.
(8) GROUND LEASE	2,328,806.
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►	31,767,054.

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO THIRD PARTIES	12,264,644.
(3) DUE TO AFFILIATED ENTITIES	14,848,033.
(4) ACCRUED PENSION LIABILITY	19,397,464.
(5) OTHER LONG-TERM LIABILITIES	25,935,775.
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►	72,445,916.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

Table with 5 main rows and sub-rows (a-e) for adjustments. Columns include descriptions, sub-row labels (2a-2d, 4a-4b), and total labels (1, 2e, 3, 4c, 5).

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

Table with 5 main rows and sub-rows (a-e) for adjustments. Columns include descriptions, sub-row labels (2a-2d, 4a-4b), and total labels (1, 2e, 3, 4c, 5).

Part XIII Supplemental Information.

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

SEE PAGE 5

Part XIII Supplemental Information (continued)

SCHEDULE D, PART V, QUESTION 4

THE ENDOWMENT FUNDS REPORTED IN SCHEDULE D, PART V, ARE HELD BY CONNECTICUT CHILDREN'S MEDICAL CENTER FOUNDATION, INC.; A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION FOR THE BENEFIT OF CONNECTICUT CHILDREN'S MEDICAL CENTER.

INCOME FROM ENDOWMENT FUNDS IS CONSIDERED TEMPORARILY RESTRICTED UNTIL IT MEETS THE ORIGINAL DONOR'S TIME OR PURPOSE RESTRICTION OF THE DONATION. THESE FUNDS ARE COMMINGLED WITH OTHER TEMPORARILY RESTRICTED CONTRIBUTIONS FOR THE SAME PURPOSES AND INVESTED UNTIL SUCH TIME THAT THE FUNDS ARE UTILIZED. CONNECTICUT CHILDREN'S MEDICAL CENTER'S SPENDING POLICY IS THAT ANY EXPENDITURE ASSOCIATED WITH THE ENDOWMENT IS APPROPRIATED BASED ON THE DONOR'S INTENTION.

RESTRICTED FUNDS ARE USED TO SUPPORT AND FURTHER THE MISSION OF CONNECTICUT CHILDREN'S MEDICAL CENTER BY PROVIDING FUNDS IN SUPPORT OF OPERATIONS AND CAPITAL PURCHASES OF CONNECTICUT CHILDREN'S MEDICAL CENTER.

**SCHEDULE F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.
- ▶ Attach to Form 990.
- ▶ Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

CONNECTICUT CHILDREN'S MEDICAL CENTER

Employer identification number

06-0646755

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 14b.

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

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) CENTRAL AMERICA/CARIBBEAN	1.	1.	PROGRAM SERVICES	FINANCIAL VEHICLE	6,333,103.
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Sub-total	1.	1.			6,333,103.
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)	1.	1.			6,333,103.

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

Schedule F (Form 990) 2014

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									
(8)									
(9)									
(10)									
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter. ▶ -----

3 Enter total number of other organizations or entities. ▶ -----

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 16.
 Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* Yes No

- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A; do not file with Form 990)* Yes No

- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations (see Instructions for Form 5471)* Yes No

- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* Yes No

- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships (see Instructions for Form 8865)* Yes No

- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713; do not file with Form 990)* Yes No

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

CONNECTICUT CHILDREN'S MEDICAL CENTER

Supplemental Information Regarding Fundraising or Gaming Activities

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.

▶ Information about Schedule G (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Open to Public Inspection

Employer identification number

06-0646755

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** Mail solicitations
- b** Internet and email solicitations
- c** Phone solicitations
- d** In-person solicitations
- e** Solicitation of non-government grants
- f** Solicitation of government grants
- g** Special fundraising events

- 2a** 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? **Yes** **No**
- 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.

	(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
			Yes	No			
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
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	(b) Event #2	(c) Other events	(d) Total events
		GALA (event type)	(event type)	(total number)	(add col. (a) through col. (c))
Revenue	1 Gross receipts	787,852.			787,852.
	2 Less: Contributions	555,999.			555,999.
	3 Gross income (line 1 minus line 2)	231,853.			231,853.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs	67,851.			67,851.
	7 Food and beverages	58,819.			58,819.
	8 Entertainment	78,855.			78,855.
	9 Other direct expenses	26,328.			26,328.
	10 Direct expense summary. Add lines 4 through 9 in column (d) ▶				231,853.
	11 Net income summary. Subtract line 10 from line 3, column (d) ▶				

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. Subtract line 7 from line 1, column (d) ▶				

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

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

b If "No," explain: _____

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

b If "Yes," explain: _____

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2014

Open to Public Inspection

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**

▶ **Attach to Form 990.**

▶ **Information about Schedule H (Form 990) and its instructions is at www.irs.gov/form990.**

Department of the Treasury
Internal Revenue Service

Name of the organization

CONNECTICUT CHILDREN'S MEDICAL CENTER

Employer identification number

06-0646755

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	X	
1b If "Yes," was it a written policy?	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>250.0000</u> %	X	
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	X	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?		X
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
5b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	X	
5c 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?		X
6a Did the organization prepare a community benefit report during the tax year?		X
6b If "Yes," did the organization make it available to the public?		

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

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)			753,454.		753,454.	.26
b Medicaid (from Worksheet 3, column a)			142,368,823.	86,551,281.	55,817,542.	19.38
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			143,122,277.	86,551,281.	56,570,996.	19.64
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			6,381,547.	3,768,480.	2,613,067.	.91
f Health professions education (from Worksheet 5)			12,561,701.	1,163,673.	11,398,028.	3.96
g Subsidized health services (from Worksheet 6)			1,643,238.		1,643,238.	.57
h Research (from Worksheet 7)			8,875,083.	3,690,236.	5,184,847.	1.80
i Cash and in-kind contributions for community benefit (from Worksheet 8)			81,625.		81,625.	.03
j Total. Other Benefits			29,543,194.	8,622,389.	20,920,805.	7.27
k Total. Add lines 7d and 7j.			172,665,471.	95,173,670.	77,491,801.	26.91

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			2,095,059.	2,092,067.	2,992.	
2 Economic development						
3 Community support			2,797,688.	1,262,549.	1,535,139.	.53
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building			29,721.		29,721.	.01
7 Community health improvement advocacy			187,719.	93,512.	94,207.	.03
8 Workforce development						
9 Other			270,406.	253,355.	17,051.	.01
10 Total			5,380,593.	3,701,483.	1,679,110.	.58

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	273,008.
6 Enter Medicare allowable costs of care relating to payments on line 5	645,868.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	-372,860.
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input checked="" type="checkbox"/> Other	

Section C. Collection Practices

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

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

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

Part V Facility Information

Section A. Hospital Facilities

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

How many hospital facilities did the organization operate during the tax year? 5

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

	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 CONNECTICUT CHILDREN'S MEDICAL CENTER 282 WASHINGTON STREET HARTFORD CT 06106 WWW.CONNECTICUTCHILDRENS.ORG 2-CH	X	X	X	X		X	X			1
2 CONNECTICUT CHILDREN'S MEDICAL CENTER 263 FARMINGTON AVENUE FARMINGTON CT 06030 WWW.CONNECTICUTCHILDRENS.ORG 2-CH	X	X	X	X		X				1
3 CONNECTICUT CHILDREN'S MEDICAL CENTER 80 SEYMOUR STREET HARTFORD CT 06102 WWW.CONNECTICUTCHILDRENS.ORG 2-CH	X	X	X	X		X				1
4 CONNECTICUT CHILDREN'S MEDICAL CENTER 56 FRANKLIN STREET WATERBURY CT 06706 WWW.CONNECTICUTCHILDRENS.ORG 2-CH	X	X	X	X						1
5 CONNECTICUT CHILDREN'S MEDICAL CENTER 505 FARMINGTON AVENUE FARMINGTON CT 06030 WWW.CONNECTICUTCHILDRENS.ORG 2-CH	X	X	X	X		X				1
6										
7										
8										
9										
10										

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or letter of facility reporting group CONNECTICUT CHILDREN'S MEDICAL CENTER

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

Community Health Needs Assessment

		Yes	No
1	Was the hospital facility first licensed, registered, or similarly recognized by a State as a hospital facility in the current tax year or the immediately preceding tax year?		X
2	Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 If "Yes," indicate what the CHNA report describes (check all that apply):	X	
a	<input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b	<input checked="" type="checkbox"/> Demographics of the community		
c	<input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	<input checked="" type="checkbox"/> How data was obtained		
e	<input checked="" type="checkbox"/> The significant health needs of the community		
f	<input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	<input type="checkbox"/> Other (describe in Section C)		
4	Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>13</u>		
5	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
6a	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	X	
6b	Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	X	
7	Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply):	X	
a	<input checked="" type="checkbox"/> Hospital facility's website (list url): <u>WWW.CONNECTICUTCHILDRENS.ORG</u>		
b	<input checked="" type="checkbox"/> Other website (list url): <u>WWW.HARTFORD.GOV</u>		
c	<input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d	<input checked="" type="checkbox"/> Other (describe in Section C)		
8	Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9	Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>14</u>		
10	Is the hospital facility's most recently adopted implementation strategy posted on a website?		X
a	If "Yes," (list url): _____		
b	If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	X	
11	Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b	If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c	If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information *(continued)*

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group CONNECTICUT CHILDREN'S MEDICAL CENTER

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP:	X	
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>250</u> % and FPG family income limit for eligibility for discounted care of <u>400</u> %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input type="checkbox"/> Asset level		
d	<input type="checkbox"/> Medical indigency		
e	<input type="checkbox"/> Insurance status		
f	<input type="checkbox"/> Underinsurance status		
g	<input type="checkbox"/> Residency		
h	<input type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	X	
15	Explained the method for applying for financial assistance? If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):	X	
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply):	X	
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>WWW.CONNECTICUTCHILDRENS.ORG</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>WWW.CONNECTICUTCHILDRENS.ORG</u>		
c	<input type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): _____		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Notice of availability of the FAP was conspicuously displayed throughout the hospital facility		
h	<input type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input checked="" type="checkbox"/> Other (describe in Section C)		
Billing and Collections			
17	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon non-payment?	X	
18	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a	<input type="checkbox"/> Reporting to credit agency(ies)		
b	<input type="checkbox"/> Selling an individual's debt to another party		
c	<input type="checkbox"/> Actions that require a legal or judicial process		
d	<input type="checkbox"/> Other similar actions (describe in Section C)		
e	<input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		

Part V Facility Information (continued)

Name of hospital facility or letter of facility reporting group CONNECTICUT CHILDREN'S MEDICAL CENTER

		Yes	No
19	Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged:		X
a	<input type="checkbox"/> Reporting to credit agency(ies)		
b	<input type="checkbox"/> Selling an individual's debt to another party		
c	<input type="checkbox"/> Actions that require a legal or judicial process		
d	<input type="checkbox"/> Other similar actions (describe in Section C)		
20	Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):		
a	<input checked="" type="checkbox"/> Notified individuals of the financial assistance policy on admission		
b	<input type="checkbox"/> Notified individuals of the financial assistance policy prior to discharge		
c	<input checked="" type="checkbox"/> Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills		
d	<input checked="" type="checkbox"/> Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy		
e	<input type="checkbox"/> Other (describe in Section C)		
f	<input type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

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

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

22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	<input checked="" type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> Other (describe in Section C)		
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.		X
24	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.		X

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

SCH H, PT V, SCT B, QUESTIONS 2, 3J, 13B, 13H, 15E, 18D, 19D, 20E, 21C&D, 22D, 23&24

NOT APPLICABLE.

SCHEDULE H, PART V, SECTION B, QUESTION 5

WHEN CONDUCTING OUR FORMAL COMMUNITY HEALTH NEEDS ASSESSMENT ("CHNA"), WE DID TAKE INTO ACCOUNT INPUT FROM PERSONS REPRESENTING A BROAD RANGE OF INTERESTS IN THE COMMUNITY. WE WORKED AS PART OF A COLLABORATIVE GROUP, TEAMING WITH A NUMBER OF ORGANIZATIONS ON A VARIETY OF LEVELS.

WHEN PLANNING FOR THE ASSESSMENT, WE INVITED A NUMBER OF PEOPLE FROM CITY AND STATE AGENCIES TO PROVIDE US WITH THEIR THOUGHTS ON A PROCESS THAT WOULD LEAD TO THE BEST POSSIBLE OUTCOMES FOR THE ASSESSMENT. THE PROCESS THAT WE UNDERTOOK INCORPORATED A NUMBER OF STRATEGIES.

WE HIRED A CONSULTANT TO COMPLETE A COMMUNITY PROFILE. THEY DID SO USING SECONDARY DATA SOURCES THAT INCLUDED:

- CONNECTICUT DEPARTMENT OF PUBLIC HEALTH VITAL STATISTICS AND HEALTH OUTCOMES;
- WOMEN'S HEALTH QUICK HEALTH DATA ONLINE VIA THE OFFICE ON WOMEN'S HEALTH;
- HEALTH DATA INTERACTIVE VIA THE CENTERS FOR DISEASE CONTROL AND PREVENTION;

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

- CONNECTICUT LABOR MARKET INFORMATION VIA THE CONNECTICUT DEPARTMENT OF LABOR;
- U.S. CENSUS BUREAU, FOR LOCAL, STATE, AND NATIONAL DATA.

WE COMPILED A LIST OF 100 INDIVIDUALS WHO WOULD ACT AS "KEY INFORMANTS", AND ASKED THAT THEY TAKE PART IN A SURVEY. THE LIST INCLUDED 4-5 INDIVIDUALS FROM EACH OF THE THREE HOSPITALS (CONNECTICUT CHILDREN'S MEDICAL CENTER, HARTFORD HOSPITAL AND ST. FRANCIS HOSPITAL) PARTICIPATING IN THE CHNA, REPRESENTING DEPARTMENTS SUCH AS EMERGENCY MEDICINE, PRIMARY CARE, AND RESEARCH. HUMAN SERVICE ORGANIZATIONAL LEADERS, REPRESENTATIVES FROM HARTFORD'S BOARD OF EDUCATION, PUBLIC HEALTH OFFICIALS, REPRESENTATIVES FROM FEDERALLY QUALIFIED HEALTH CENTERS, AND CIVIC AND COMMUNITY LEADERS WERE ON THE LIST. THE CONSULTANT CONDUCTED THE SURVEY ANONYMOUSLY, WITH 60 OF THE 100 TAKING PART.

HARTFORD WAS ONE OF THREE PILOT SITES IN THE STATE, SELECTED TO TEST AND EVALUATE A HEALTH EQUITY INDEX ("HEI") PROJECT. THE HEI PROJECT ATTEMPTED TO IMPROVE THE COMMUNITY'S KNOWLEDGE OF HEALTH EQUITY CONCEPTS, MOBILIZE THE COMMUNITY INTO ACTION, AND HELP CREATE STRUCTURAL CHANGES THAT COULD LEAD TO BETTER HEALTH OUTCOMES. VARIOUS SOCIAL DETERMINANTS OF HEALTH WERE MEASURED ON A NEIGHBORHOOD BASIS. PART OF THE PROCESS FOR HEI INCLUDED CONDUCTING FOCUS GROUPS THROUGHOUT CITY NEIGHBORHOODS. LEAD BY THE CITY'S DEPARTMENT OF HEALTH AND HUMAN SERVICES, THE TIMING FOR THE GROUPS WAS FORTUITOUS FOR OUR PARTNERSHIP, AND THE FEEDBACK FROM THE GROUPS ALONG WITH THE HEI INFORMATION WAS INCLUDED IN THE CHNA.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

SCHEDULE H, PART V, SECTION B, QUESTIONS 6A & 6B

WE CONDUCTED A FORMAL COMMUNITY HEALTH NEEDS ASSESSMENT ("CHNA") IN 2013. THOUGH WE ARE A STATE-WIDE SERVING MEDICAL CENTER, OUR FORMAL CHNA FOCUSED ON THE CITY OF HARTFORD. WE PARTNERED IN CONDUCTING THE ASSESSMENT WITH TWO OTHER HOSPITALS, HARTFORD HOSPITAL AND ST. FRANCIS HOSPITAL, AND WITH THE CITY OF HARTFORD'S DEPARTMENT OF HEALTH AND HUMAN SERVICES.

ADDITIONALLY, WE BENEFITTED BY THE WORK OF A GROUP CALLED THE URBAN ALLIANCE IN HARTFORD. THEY WERE IN THE PROCESS OF CONDUCTING A SURVEY PROJECT WORKING TO IDENTIFY NEEDS AND BARRIERS TO RECEIVING HUMAN SERVICES THROUGHOUT THE CITY. THEY CONDUCTED FACE-TO-FACE SURVEYS WITH MORE THAN 400 RESIDENTS FROM TWELVE DIFFERENT NEIGHBORHOODS. THE ALLIANCE WAS GRACIOUS IN ALLOWING US TO INCORPORATE THEIR FINDINGS INTO OUR CHNA.

IN ADDITION TO OUR CHNA, WE CONTINUE TO GATHER HEALTH INFORMATION RELATED TO HARTFORD, GREATER HARTFORD, AND THE STATE OF CONNECTICUT FROM A VARIETY OF SOURCES. THE FOLLOWING IS A PARTIAL LIST OF SOME SOURCES OF DATA THAT HELPS GUIDE OUR DECISION MAKING IN HOW WE CAN BEST DIRECT OUR EXPERTISE AND RESOURCES TO CHILDREN'S HEALTH ISSUES:

- WE PARTNER WITH TWO OTHER ANCHOR INSTITUTIONS (TRINITY COLLEGE AND HARTFORD HOSPITAL) TO ADDRESS PUBLIC HEALTH AND QUALITY OF LIFE ISSUES THROUGH A FORMAL PARTNERSHIP CALLED SOUTHSIDE INSTITUTIONS NEIGHBORHOOD

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

ALLIANCE (SINA);

- WE PARTICIPATE ON THE CITY'S PUBLIC HEALTH ADVISORY COUNCIL;
- CONNECTICUT CHILDREN'S IS REPRESENTED ON NUMEROUS BOARDS OF DIRECTORS/ADVISORY BOARDS ON A VARIETY OF LOCAL, STATE-WIDE, AND NATIONAL LEVELS;
- WE MONITOR TRENDS THAT WE SEE IN OUR CLINICS AND EMERGENCY DEPARTMENT;
- WE COLLABORATE WITH OUR LOCAL UNITED WAY (A REPRESENTATIVE SERVES ON THE OPERATIONS COMMITTEE), HAVING ACCESS TO INFORMATION SUCH AS NEEDS OF PEOPLE CALLING FOR ASSISTANCE ON THE 2-1-1 CALL CENTER;
- WE CONDUCT RESEARCH INTO HEALTH AND PUBLIC HEALTH ISSUES;
- WE RESPOND TO REQUESTS FOR PROPOSALS IF WE FEEL OUR EXPERTISE CAN CONTRIBUTE. WE ARE ALSO ASKED TO PARTICIPATE IN OTHER COLLABORATIVE GRANT APPLICATIONS;
- AS MEMBERS OF THE CONNECTICUT HOSPITAL ASSOCIATION AND THE CHILDREN'S HOSPITAL ASSOCIATION, WE ARE AWARE OF TRENDS IN HEALTHCARE, AND IN CHILDREN'S HEALTH ISSUES AND CONCEPTS; AND
- WE'VE PARTICIPATED IN OTHER COMMUNITY HEALTH NEEDS ASSESSMENTS IN LOCAL AND STATE PUBLIC HEALTH AGENCIES AND WITH OTHER HOSPITALS WITHIN THE STATE.

SCHEDULE H, PART V, SECTION B, QUESTION 7D

OUR CHNA WAS REVIEWED BY OUR BOARD OF DIRECTORS, AND APPROVED AT THEIR SEPTEMBER 2013 MEETING. ONCE APPROVED, THE CHNA WAS POSTED ON OUR ORGANIZATION'S WEBSITE, NOTING THAT HARDCOPIES WERE AVAILABLE ON REQUEST.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

THE DOCUMENT WAS ALSO POSTED ON THE CITY'S WEBSITE (WWW.HARTFORD.GOV).

HARD COPIES WERE DISTRIBUTED TO NEIGHBORHOOD LEADERS, COMMUNITY LEADERS AROUND HARTFORD, CITY OFFICIALS, HARTFORD'S LEGISLATIVE REPRESENTATIVES, BUSINESS LEADERS IN THE COMMUNITY, AND LOCAL FUNDERS.

SCHEDULE H, PART V, SECTION B, QUESTION 11

IN FEBRUARY OF 2014, OUR BOARD ADOPTED OUR IMPLEMENTATION STRATEGY. THE STRATEGY WAS BOTH A RESPONSE TO OUR CHNA AND ALSO OTHER INFORMATION/RESEARCH THAT WE HAD BEEN GATHERING.

THE RESULTS OF OUR CHNA IDENTIFIED THREE KEY PRIORITY AREAS RELATED TO CHILDREN'S HEALTH IN HARTFORD (ASTHMA, CHILDHOOD OBESITY, AND MATERNAL/CHILD HEALTH), AND A HOST OF OTHER HEALTH CONCERNS THAT WERE SPECIFIC TO ADULTS IN HARTFORD, ALONG WITH A NUMBER OF CONCERNS RELATED TO SOCIAL DETERMINANTS. WE HAVE BEEN OPEN TO PARTNERING WITH COLLEAGUES IN THE ADULT ARENA, BUT WITH THE UNDERSTANDING THAT OUR EXPERTISE LIES IN THE AREA OF CHILDREN'S HEALTH, OUR PRIORITIES HAVE BEEN IN AREAS THAT STRENGTHEN FAMILIES, AND HELP TO CREATE HEALTHY ENVIRONMENTS WHERE CHILDREN AND FAMILIES CAN THRIVE.

ONE OF CONNECTICUT CHILDREN'S INITIATIVES IN A FIVE YEAR STRATEGIC PLAN, WAS TO CREATE AN OFFICE OF COMMUNITY CHILD HEALTH ("OCCH"). OCCH WAS CREATED AS A COMMITMENT TO CHILDREN'S HEALTH AND THE COMMUNITY. OCCH HAS

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

BECOME A COORDINATING ENTITY THAT IMPROVES UPON OUR EFFORTS IN COMMUNITIES, WHETHER IT'S IMPROVING THE LIVES OF CHILDREN AND FAMILIES THROUGH DIRECT SERVICE, EXTENDING BEST PRACTICES, IMPROVING THE HEALTHCARE SYSTEM, OR MAKING IMPROVEMENTS THROUGH CHILD HEALTH ADVOCACY.

THERE ARE A NUMBER OF PROGRAMS THAT FALL UNDER OCCH INCLUDED:

- EASY BREATHING, THE IMPLEMENTATION OF PRIMARY CARE-BASED ASTHMA MANAGEMENT;
- HARTFORD CHILDHOOD WELLNESS ALLIANCE, THE BUILDING OF A COALITION TO PROMOTE HEALTHY LIFESTYLES WITH HARTFORD FAMILIES AND COMBAT CHILDHOOD OBESITY;
- EDUCATING PRACTICES IN THE COMMUNITY (EPIC), TRAINING FOR PRIMARY CARE OFFICE PRACTICE IMPROVEMENTS;
- HARTFORD YOUTH HIV IDENTIFICATION AND LINKAGE (HYHIL) PROGRAM, PROMOTING THE PREVENTION OF HIV AND OTHER SEXUALLY TRANSMITTED DISEASES AMONG YOUTH;
- HARTFORD AREA CARE COLLABORATIVE, ASSISTING PRIMARY CARE MEDICAL HOMES IN CONNECTING CHILDREN WITH SPECIAL HEALTH CARE NEEDS TO SERVICES;
- INJURY PREVENTION CENTER, INJURY PREVENTION PROGRAMS, COALITION BUILDING, RESEARCH AND EDUCATION;
- HEALTHY HOMES, LEAD HAZARD ASSESSMENT, EDUCATION, FINANCIAL ASSISTANCE, AND HOME VISITS FOR ASTHMA TRIGGERS AND ENVIRONMENTAL HAZARDS FOR INJURY PREVENTION;
- HELP ME GROW NATIONAL CENTER, PROVIDING TECHNICAL SUPPORT TO MORE THAN 20 MEMBER STATES WITH THE GOAL OF PROMOTING EARLY DETECTION AND REFERRAL

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

SYSTEMS FOR CHILDREN AT RISK FOR DEVELOPMENTAL AND BEHAVIORAL PROBLEMS;

- CO-MANAGEMENT PROGRAM, DEVELOPING EXPANDED PRIMARY CARE MANAGEMENT OF CONDITIONS IN COLLABORATION WITH OUR SPECIALISTS;

- MAINTENANCE OF CERTIFICATION/QUALITY IMPROVEMENT, THE DEVELOPMENT AND ADMINISTRATION OF PRACTICE-BASED QUALITY IMPROVEMENT ACTIVITIES RELATED TO OCCH PROGRAM AREAS; AND

- RESIDENT EDUCATION IN COMMUNITY HEALTH (REACH), TRAINING PEDIATRIC RESIDENTS IN ADVOCACY, CHILDREN'S HEALTH SYSTEMS, AND CHILD HEALTH POLICY.

SOME OF THE PROGRAMS LISTED GIVE US THE ABILITY TO WORK WITH OTHERS IN DEVELOPING APPROACHES TO FOCUS ON IMPROVEMENTS WITH CHILDHOOD OBESITY AND ASTHMA.

AS A RESPONSE TO THE IDENTIFICATION OF MATERNAL/CHILD HEALTH ISSUES IN THE CHNA, OCCH WAS CONTRACTED BY THE CITY OF HARTFORD, AND SUPPORTED BY A GRANT FROM THE HARTFORD FOUNDATION FOR PUBLIC GIVING, TO DEVELOP A BLUEPRINT FOR MATERNAL/CHILD HEALTH SUPPORT AND INTERVENTIONS. THE BLUEPRINT WILL MAKE UP A MAJOR COMPONENT OF OUR NEXT CHNA AND IS SLATED TO BE MADE PUBLIC IN 2016.

OUR SINA PARTNERSHIP HAS BECOME THE VEHICLE FOR ADDRESSING MANY OF THE SOCIAL DETERMINANTS IDENTIFIED IN OUR CHNA ON A NEIGHBORHOOD LEVEL (WWW.SINAINC.ORG). WE'VE WORKED WITH NEIGHBORHOOD LEADERS, MUNICIPAL LEADERS, RESIDENTS AND BUSINESS OWNERS TO ADDRESS CONCERNS WITH HOUSING AND PUBLIC

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

SAFETY. A BLOCK BY BLOCK STRATEGY HAS BEEN IMPLEMENTED WITH SINA'S HOUSING PROGRAM, AS WE'VE BEEN ABLE TO LEVERAGE THE SINA INSTITUTIONAL RESOURCES WITH LOCAL, STATE, AND FEDERAL RESOURCES TO TRY AND ELIMINATE BLIGHT, AND UPGRADE THE HOUSING STOCK IN THE NEIGHBORHOOD. WE'VE BROUGHT TOGETHER THE SECURITY TEAMS OF THE INSTITUTIONS TO WORK CLOSELY WITH THE HARTFORD POLICE DEPARTMENT AND NEIGHBORHOOD RESIDENTS, WORKING TO CREATE SAFER NEIGHBORHOODS. SINA ALSO HIRED A CONSULTANT TO HELP US LOOK AT POTENTIAL OPPORTUNITIES IN DEVELOPING STRATEGIES TO BENEFIT THE COMMUNITY, HAVING A BROADER ECONOMIC IMPACT THAT REACHES THE PEOPLE WHO LIVE AND WORK IN THE SURROUNDING NEIGHBORHOODS.

CONNECTICUT CHILDREN'S MEDICAL CENTER IS LOCATED IN ONE OF THE POOREST HARTFORD NEIGHBORHOOD AND, IN ORDER TO SUSTAIN THE INVESTMENTS THAT HAVE BEEN MADE, THE INSTITUTION NEEDS TO DO ALL THAT IT CAN TO SUPPORT THE NEIGHBORHOOD'S ECONOMY. THE STUDY WILL ALSO BE A COMPONENT OF OUR NEXT CHNA.

SCHEDULE H, PART V, SECTION B, QUESTION 16I

THE BOTTOM OF ALL BILLING INVOICES INCLUDES A STANDARD NOTE INDICATING THE PATIENT FINANCIAL ASSISTANCE POLICY IS AVAILABLE ALONG WITH A PHONE NUMBER TO OBTAIN THE POLICY.

Part V Facility Information *(continued)*

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

How many non-hospital health care facilities did the organization operate during the tax year? 6

Name and address	Type of Facility (describe)
1 CONNECTICUT CHILDREN'S MEDICAL CENTER 100 RETREAT AVENUE, 4TH FLOOR HARTFORD CT 06106	SPEECH THERAPY
2 CONNECTICUT CHILDREN'S MEDICAL CENTER 11 SOUTH ROAD FARMINGTON CT 06032	SPEECH THERAPY, AUDIOLOGY
3 CONNECTICUT CHILDREN'S MEDICAL CENTER 399 FARMINGTON AVENUE, 3RD FLOOR FARMINGTON CT 06032	OCCUPATIONAL & PHYSICAL THERAPY
4 CONNECTICUT CHILDREN'S MEDICAL CENTER 399 FARMINGTON AVENUE, 3RD FLOOR FARMINGTON CT 06032	MOTION ANALYSIS
5 CONNECTICUT CHILDREN'S MEDICAL CENTER 320 WESTERN BOULEVARD GALSTONBURY CT 06033	OCCUPATIONAL, PHYSICAL & SPEECH THERAPY, AUDIOLOGY
6 CONNECTICUT CHILDREN'S MEDICAL CENTER 111 FOUNDERS PLAZA EAST HARTFORD CT 06108	CLINICAL NUTRITION
7 	
8 	
9 	
10 	

Part VI Supplemental Information

Provide the following information.

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

CHARITY CARE AND CERTAIN OTHER COMMUNITY BENEFIT COST

LINES 7A AND 7B WERE DETERMINED USING A RATIO OF COST TO CHARGES. LINES 7E THROUGH 7I WERE ALL REPORTED AT TRUE COST, NOT USING A COST TO CHARGE RATIO.

SCHEDULE H, PART I; QUESTION 7G

THE SUBSIDIZED HEALTH SERVICE REPORTED ON LINE 7G ARE FOR SHARED PSYCHIATRIC SERVICES WITH THE INSTITUTE OF LIVING.

SCHEDULE H, PART II

CONNECTICUT CHILDREN'S MEDICAL CENTER'S ("CONNECTICUT CHILDREN'S") CORE MISSION IS TO IMPROVE THE PHYSICAL AND EMOTIONAL HEALTH OF CHILDREN ACROSS THE STATE OF CONNECTICUT. WE RECOGNIZE THAT CHILDREN DO NOT LIVE IN ISOLATION. THEY ARE A PART OF FAMILIES AND COMMUNITIES. IN ORDER TO FULFILL OUR MISSION, WE PROVIDE LEADERSHIP AND PARTICIPATE IN COMMUNITY

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
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BASED PROGRAMS THAT HELP BUILD HEALTHIER COMMUNITIES. TO THAT END, WE
 HAVE ADOPTED, AS ONE OF OUR FIVE KEY ORGANIZATIONAL STRATEGIES, THE
 CREATION OF THE OFFICE OF COMMUNITY CHILD HEALTH ("OCCH"). OCCH SERVES AS
 OUR COORDINATING ENTITY FOR OUR COMMUNITY-ORIENTED PROGRAMS. IN 2014,
 THERE WERE TWELVE COMMUNITY PROGRAMS THAT WERE OVERSEEN BY THE OFFICE:

- CO-MANAGEMENT PROGRAM;
- EASY BREATHING;
- EDUCATING PRACTICES IN THE COMMUNITY ("EPIC");
- HELP ME GROW NATIONAL CENTER;
- HARTFORD CHILDHOOD WELLNESS ALLIANCE;
- HARTFORD YOUTH HIV IDENTIFICATION AND LINKAGE GROUP ("HYHIL");
- THE INJURY PREVENTION CENTER;
- LEAD ACTION FOR MEDICAID PRIMARY PREVENTION ("LAMPP");
- MAINTENANCE OF CERTIFICATION;
- THE PRIMARY CARE CENTER/CHARTER OAK PARTNERSHIP;
- RESIDENT EDUCATION IN ADVOCACY AND COMMUNITY HEALTH ("REACH"); AND
- THE SPECIAL KIDS SUPPORT CENTER/HARTFORD AREA COORDINATION

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COLLABORATIVE.

ALL TWELVE PROGRAMS HAVE ELEMENTS OF COMMUNITY BUILDING IN THEIR PURPOSE.

SOME INVOLVE WORKING WITH LOCAL COMMUNITIES, SOME WITH STATE-WIDE

COMMUNITIES AND SOME WORKING WITH COMMUNITIES ON A NATIONAL LEVEL. OCCH

HAS HELPED THESE EXISTING PROGRAMS PROGRESS AND EVOLVE, WHILE ALSO ACTING

AN AS INCUBATOR FOR NEW, INNOVATIVE COMMUNITY-ORIENTED PROGRAMS. THE GOAL

OF THE OFFICE IS TO MAXIMIZE OUR IMPACT IN THE COMMUNITY.

ADDITIONAL COMMUNITY BUILDING ACTIVITIES INCLUDE CONNECTICUT CHILDREN'S

WORK WITH A NEIGHBORHOOD PARTNERSHIP CALLED SOUTHSIDE INSTITUTIONS

NEIGHBORHOOD ALLIANCE AND THE UNITED WAY OF CENTRAL AND NORTHEASTERN

CONNECTICUT.

SOUTHSIDE INSTITUTIONS NEIGHBORHOOD ALLIANCE ("SINA") IS A PARTNERSHIP

BETWEEN CONNECTICUT CHILDREN'S, HARTFORD HOSPITAL AND TRINITY COLLEGE. WE

ARE ALL LOCATED IN ONE OF HARTFORD'S POOREST NEIGHBORHOODS. EACH

INSTITUTION PAYS DUES THAT ACT AS THE FOUNDATION FOR SINA'S ANNUAL

Part VI Supplemental Information

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OPERATING BUDGET. THREE EMPLOYEES OF CONNECTICUT CHILDREN'S ARE ON SINA'S BOARD OF DIRECTORS, AND IN 2014, MORE THAN 30 EMPLOYEES PARTICIPATED IN COMMITTEES AND ACTIVITIES THAT PROMOTED EDUCATION, IMPROVED HOUSING, AND PUBLIC SAFETY IN OUR SURROUNDING NEIGHBORHOODS.

A FEW OF THE WAYS THAT WE SUPPORTED EDUCATION THROUGH SINA INCLUDED THE SPONSORSHIP OF THE CITY-WIDE SCIENCE FAIR. OUR GOAL WAS TO SUPPORT THE HARTFORD BOARD OF EDUCATION IN THEIR ENCOURAGEMENT OF PROMOTING STUDENTS INTEREST IN THE SCIENCES. ALONG WITH A FINANCIAL SPONSORSHIP, 18 EMPLOYEES ACTED AS JUDGES FOR THE EVENT AND 6 ADDITIONAL EMPLOYEES SERVED AS VOLUNTEERS TO HELP WITH THE EVENT COORDINATION. WE DEVELOPED A COMPLIMENTARY ROLE MODELING PROGRAM WHEREBY STAFF FROM THE INSTITUTIONS VISITED 2 LOCAL SCHOOLS TO TALK TO CLASSROOMS ABOUT HOW SCIENCE HAS BEEN USED IN THEIR JOBS. SINA HAS ALSO SET UP TWO SCHOLARSHIP PROGRAMS. IN 2014, THREE GRADUATES FROM THE LOCAL HIGH SCHOOL RECEIVED SCHOLARSHIPS FOR THEIR COMMUNITY SERVICE CONTRIBUTIONS. ALL THREE WILL BE ATTENDING 4-YEAR COLLEGE PROGRAMS. FOUR ADULTS FROM THE NEIGHBORHOOD WHO ATTEND CAPITAL COMMUNITY COLLEGE RECEIVED A "SINA STUDENT SUPPORT SCHOLARSHIPS"

Part VI Supplemental Information

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TO SUPPORT THEIR EFFORTS IN GETTING INTO A CAREER IN EITHER HEALTHCARE OR EDUCATION.

SINA'S HOUSING PROGRAM HAS FOCUSED ON TAKING BLIGHTED BUILDINGS, RAZING THEM, AND THEN BUILDING NEW SINGLE AND TWO-FAMILY HOMES. SINA HAS BEEN ABLE TO BRING TOGETHER FEDERAL, STATE, AND CITY FINANCIAL SUPPORT TO CONSTRUCT 58 HOMES DURING THE PAST 9 YEARS, HAVING RECENTLY SOLD 5 COMPLETED HOMES TO FIRST-TIME HOME BUYERS. WE ESTIMATE THAT THE 58 NEW HOMES HAVE PUT MORE THAN \$250,000 ONTO THE YEARLY TAX ROLL FOR THE CITY. SINA CONTINUES TO OWN RENTAL PROPERTIES THAT WERE OBTAINED SOME YEARS AGO TO ADDRESS THE NEED OF INADEQUATE QUALITY LOW-COST HOUSING FOR THE NEIGHBORHOOD, AND THROUGH SINA, WE CONTINUE TO DIALOGUE WITH THE COMMUNITY ON STRATEGIES TO BALANCE ALL OF OUR HOUSING EFFORTS TO MEET THE GREATEST COMMUNITY NEED. IN 2014, WE ENTERED INTO DIALOGUES WITH MULTIPLE STATE AND LOCAL PARTNERS TO TRY AND LEVERAGE OUR ONGOING EFFORTS WITH THOSE OF OTHERS TO HAVE A LARGER IMPACT IN THE COMING YEARS. WE ARE WORKING WITH OUR LEGISLATIVE LEADERS IN PREPARING A PROPOSAL TO SUPPORT ADDITIONAL NEW HOMES AND HOUSING PROJECTS, AND THE CITY HAS APPROACHED

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SINA WITH REQUESTS TO PURCHASE ABANDONED PROPERTIES IN OUR NEIGHBORHOOD.

THESE PROPERTIES HAVE SOME HISTORICAL SIGNIFICANCE, BUT THE BUILDING

REHABILITATION IS BEYOND WHAT THE CITY CAN AFFORD.

PUBLIC SAFETY IS PROMOTED IN A NUMBER OF WAYS. SINA STAFF AND STAFF FROM CONNECTICUT CHILDREN'S PARTICIPATE IN ONE OF HARTFORD'S NEIGHBORHOOD REVITALIZATION ZONE ("NRZ") MEETINGS. WE PARTICIPATE ON THE NRZ'S PUBLIC SAFETY COMMITTEE SUPPORTING BLOCK WATCH PROGRAMS. SINA ORGANIZES REGULAR MEETINGS WITH THE HARTFORD POLICE DEPARTMENT AND THE CAMPUS SAFETY MANAGERS OF THE THREE INSTITUTIONS TO DISCUSS COLLABORATIVE EFFORTS FOR PATROLLING THE NEIGHBORHOOD. IN 2014 SINA HELPED THE CITY BUILD A NEW SUB-STATION A BLOCK AWAY FROM OUR NEW PRIMARY CARE FACILITY, WHICH IMPROVES THE POLICE PRESENCE IN OUR NEIGHBORHOOD.

OUR WORK WITH THE UNITED WAY INCLUDES A YEARLY EMPLOYEE CAMPAIGN IN WHICH EMPLOYEE COMMITTEES ARE ESTABLISHED TO RAISE MONEY THAT IS INVESTED IN THE COMMUNITY. IN OCTOBER OF 2014, MORE THAN 50 EMPLOYEES WERE INVOLVED IN, "DAY OF CARING" ACTIVITIES THAT INCLUDED CREATING AND SERVING A MEAL

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AT A LOCAL HOMELESS SHELTER, AND WORKING AT A LOCAL FARM THAT DONATES FOOD TO LOCAL CHARITIES. FOR THESE ACTIVITIES, PARTICIPATING EMPLOYEES WERE ABLE TO USE AN EMPLOYEE BENEFIT ALLOWING FOR 8 HOURS OF PAID TIME TO CONTRIBUTE TOWARD THE COMMUNITY. CONNECTICUT CHILDREN'S WAS ALSO REPRESENTED IN THE UNITED WAY'S COMMUNITY INVESTMENT PROCESS, HELPING TO EVALUATE COMMUNITY PROGRAMS RECEIVING UNITED WAY FUNDS. ONE MEMBER OF CONNECTICUT CHILDREN'S ALSO REPRESENTS THE ORGANIZATION ON THE OPERATIONS COMMITTEE OF THE UNITED WAY.

SCHEDULE H, PART III, SECTION A; QUESTIONS 2, 3 & 4

BAD DEBT IS BASED UPON HISTORICAL COLLECTION PERCENTAGE ANALYSIS OF ACCOUNTS WRITTEN OFF. BAD DEBT EXPENSE WAS CALCULATED USING THE PROVIDERS' BAD DEBT EXPENSE FROM FINANCIAL STATEMENT, NET OF ACCOUNTS WRITTEN OFF AT CHARGES.

CONNECTICUT CHILDREN'S MEDICAL CENTER ("CONNECTICUT CHILDREN'S") AND ITS SUBSIDIARIES PREPARE AND ISSUE AUDITED CONSOLIDATED FINANCIAL STATEMENTS.

Part VI Supplemental Information

Provide the following information.

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CONNECTICUT CHILDREN'S ALLOWANCE FOR DOUBTFUL ACCOUNTS (BAD DEBT EXPENSE) METHODOLOGY AND CHARITY CARE POLICIES ARE CONSISTENTLY APPLIED ACROSS ALL HOSPITAL FACILITIES. THE ATTACHED TEXT WAS OBTAINED FROM THE FOOTNOTES TO THE AUDITED FINANCIAL STATEMENTS OF CONNECTICUT CHILDREN'S AND SUBSIDIARIES.

PATIENT ACCOUNTS RECEIVABLE

PATIENT ACCOUNTS RECEIVABLE AND REVENUES ARE RECORDED WHEN PATIENT SERVICES ARE PERFORMED. AMOUNTS RECEIVED FROM CERTAIN PAYORS ARE DIFFERENT FROM ESTABLISHED BILLING RATES OF THE MEDICAL CENTER, AND THE DIFFERENCE IS ACCOUNTED FOR AS ALLOWANCES. THE MEDICAL CENTER RECORDS ITS PROVISION FOR BAD DEBTS BASED UPON A REVIEW OF ALL OF ITS OUTSTANDING RECEIVABLES. WRITE-OFFS OF RECEIVABLE BALANCES ARE RELATED TO ITS POPULATION OF UNDERINSURED PATIENTS. AN UNDERINSURED PATIENT IS ONE WHO HAS COMMERCIAL INSURANCE WHICH LEAVES A SIGNIFICANT PORTION OF THE MEDICAL CENTER'S REIMBURSEMENT TO BE PAID BY THE PATIENT, EITHER THROUGH LARGE DEDUCTIBLES OR CO-PAY REQUIREMENTS. SELF-PAY PATIENTS ARE RARE IN

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THE PEDIATRIC ENVIRONMENT, AS MEDICAID IS READILY AVAILABLE TO CHILDREN.

SELF-PAY NET REVENUE APPROXIMATED \$3,600,000 AND \$3,500,000 FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014, RESPECTIVELY.

CHARITY CARE

THE MEDICAL CENTER 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 MEDICAL CENTER. ESSENTIALLY, THOSE POLICIES DEFINE CHARITY SERVICES AS THOSE SERVICES FOR WHICH NO PAYMENT IS ANTICIPATED. IN ASSESSING A PATIENT'S INABILITY TO PAY, THE MEDICAL CENTER 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 INCOMES.

THE COSTS OF CHARITY CARE INCURRED WERE \$928,834 AND \$730,330 FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014, RESPECTIVELY. THE COSTS OF CHARITY CARE ARE DERIVED FROM BOTH ESTIMATED AND ACTUAL DATA. THE

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ESTIMATED COST OF CHARITY CARE INCLUDES THE DIRECT AND INDIRECT COST OF PROVIDING SUCH SERVICES AND IS ESTIMATED UTILIZING THE MEDICAL CENTER'S RATIO OF COST TO GROSS CHARGES, WHICH IS THEN MULTIPLIED BY THE GROSS UNCOMPENSATED CHARGES ASSOCIATED WITH PROVIDING CARE TO CHARITY PATIENTS.

SCHEDULE H, PART III, SECTION B; QUESTION 8

MEDICARE COSTS WERE DERIVED FROM THE 2014 MEDICARE COST REPORT.

MEDICARE UNDERPAYMENTS AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS ARE INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I.

THE ORGANIZATION FEELS THAT MEDICARE UNDERPAYMENTS (SHORTFALL) AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS ARE INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I. AS OUTLINED MORE FULLY BELOW THE ORGANIZATION BELIEVES THAT THESE SERVICES AND RELATED COSTS PROMOTE THE HEALTH OF THE COMMUNITY AS A WHOLE AND ARE RENDERED IN CONJUNCTION WITH THE ORGANIZATION'S CHARITABLE TAX-EXEMPT PURPOSES AND MISSION IN

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PROVIDING MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUAL'S IN A NON-DISCRIMINATORY MANNER WITHOUT REGARD TO RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY AND CONSISTENT WITH THE COMMUNITY BENEFIT STANDARD PROMULGATED BY THE IRS. THE COMMUNITY BENEFIT STANDARD IS THE CURRENT STANDARD FOR A HOSPITAL FOR RECOGNITION AS A TAX-EXEMPT AND CHARITABLE ORGANIZATION UNDER INTERNAL REVENUE CODE ("IRC") §501(C)(3).

THE ORGANIZATION IS RECOGNIZED AS A TAX-EXEMPT ENTITY AND CHARITABLE ORGANIZATION UNDER §501(C)(3) OF THE IRC. ALTHOUGH THERE IS NO DEFINITION IN THE TAX CODE FOR THE TERM "CHARITABLE" A REGULATION PROMULGATED BY THE DEPARTMENT OF THE TREASURY PROVIDES SOME GUIDANCE AND STATES THAT "[T]HE TERM CHARITABLE IS USED IN §501(C)(3) IN ITS GENERALLY ACCEPTED LEGAL SENSE," AND PROVIDES EXAMPLES OF CHARITABLE PURPOSES, INCLUDING THE RELIEF OF THE POOR OR UNPRIVILEGED; THE PROMOTION OF SOCIAL WELFARE; AND THE ADVANCEMENT OF EDUCATION, RELIGION, AND SCIENCE. NOTE IT DOES NOT EXPLICITLY ADDRESS THE ACTIVITIES OF HOSPITALS. IN THE ABSENCE OF EXPLICIT STATUTORY OR REGULATORY REQUIREMENTS APPLYING THE TERM

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"CHARITABLE" TO HOSPITALS, IT HAS BEEN LEFT TO THE IRS TO DETERMINE THE CRITERIA HOSPITALS MUST MEET TO QUALIFY AS IRC §501(C)(3) CHARITABLE ORGANIZATIONS. THE ORIGINAL STANDARD WAS KNOWN AS THE CHARITY CARE STANDARD. THIS STANDARD WAS REPLACED BY THE IRS WITH THE COMMUNITY BENEFIT STANDARD WHICH IS THE CURRENT STANDARD.

CHARITY CARE STANDARD

IN 1956, THE IRS ISSUED REVENUE RULING 56-185, WHICH ADDRESSED THE REQUIREMENTS HOSPITALS NEEDED TO MEET IN ORDER TO QUALIFY FOR IRC §501(C)(3) STATUS. ONE OF THESE REQUIREMENTS IS KNOWN AS THE "CHARITY CARE STANDARD." UNDER THE STANDARD, A HOSPITAL HAD TO PROVIDE, TO THE EXTENT OF ITS FINANCIAL ABILITY, FREE OR REDUCED-COST CARE TO PATIENTS UNABLE TO PAY FOR IT. A HOSPITAL THAT EXPECTED FULL PAYMENT DID NOT, ACCORDING TO THE RULING, PROVIDE CHARITY CARE BASED ON THE FACT THAT SOME PATIENTS ULTIMATELY FAILED TO PAY. THE RULING EMPHASIZED THAT A LOW LEVEL OF CHARITY CARE DID NOT NECESSARILY MEAN THAT A HOSPITAL HAD FAILED TO MEET THE REQUIREMENT SINCE THAT LEVEL COULD REFLECT ITS FINANCIAL ABILITY

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TO PROVIDE SUCH CARE. THE RULING ALSO NOTED THAT PUBLICLY SUPPORTED COMMUNITY HOSPITALS WOULD NORMALLY QUALIFY AS CHARITABLE ORGANIZATIONS BECAUSE THEY SERVE THE ENTIRE COMMUNITY, AND A LOW LEVEL OF CHARITY CARE WOULD NOT AFFECT A HOSPITAL'S EXEMPT STATUS IF IT WAS DUE TO THE SURROUNDING COMMUNITY'S LACK OF CHARITABLE DEMANDS.

COMMUNITY BENEFIT STANDARD

IN 1969, THE IRS ISSUED REVENUE RULING 69-545, WHICH "REMOVE[D]" FROM REVENUE RULING 56-185 "THE REQUIREMENTS RELATING TO CARING FOR PATIENTS WITHOUT CHARGE OR AT RATES BELOW COST." UNDER THE STANDARD DEVELOPED IN REVENUE RULING 69-545, WHICH IS KNOWN AS THE "COMMUNITY BENEFIT STANDARD," HOSPITALS ARE JUDGED ON WHETHER THEY PROMOTE THE HEALTH OF A BROAD CLASS OF INDIVIDUALS IN THE COMMUNITY.

THE RULING INVOLVED A HOSPITAL THAT ONLY ADMITTED INDIVIDUALS WHO COULD PAY FOR THE SERVICES (BY THEMSELVES, PRIVATE INSURANCE, OR PUBLIC PROGRAMS SUCH AS MEDICARE), BUT OPERATED A FULL-TIME EMERGENCY ROOM THAT

Part VI Supplemental Information

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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

WAS OPEN TO EVERYONE. THE IRS RULED THAT THE HOSPITAL QUALIFIED AS A CHARITABLE ORGANIZATION BECAUSE IT PROMOTED THE HEALTH OF PEOPLE IN ITS COMMUNITY. THE IRS REASONED THAT BECAUSE THE PROMOTION OF HEALTH WAS A CHARITABLE PURPOSE ACCORDING TO THE GENERAL LAW OF CHARITY, IT FELL WITHIN THE "GENERALLY ACCEPTED LEGAL SENSE" OF THE TERM "CHARITABLE," AS REQUIRED BY TREAS. REG. §1.501(C)(3)-1(D)(2). THE IRS RULING STATED THAT THE PROMOTION OF HEALTH, LIKE THE RELIEF OF POVERTY AND THE ADVANCEMENT OF EDUCATION AND RELIGION, IS ONE OF THE PURPOSES IN THE GENERAL LAW OF CHARITY THAT IS DEEMED BENEFICIAL TO THE COMMUNITY AS A WHOLE EVEN THOUGH THE CLASS OF BENEFICIARIES ELIGIBLE TO RECEIVE A DIRECT BENEFIT FROM ITS ACTIVITIES DOES NOT INCLUDE ALL MEMBERS OF THE COMMUNITY, SUCH AS INDIGENT MEMBERS OF THE COMMUNITY, PROVIDED THAT THE CLASS IS NOT SO SMALL THAT ITS RELIEF IS NOT OF BENEFIT TO THE COMMUNITY.

THE IRS CONCLUDED THAT THE HOSPITAL WAS "PROMOTING THE HEALTH OF A CLASS OF PERSONS THAT IS BROAD ENOUGH TO BENEFIT THE COMMUNITY" BECAUSE ITS EMERGENCY ROOM WAS OPEN TO ALL AND IT PROVIDED CARE TO EVERYONE WHO COULD PAY, WHETHER DIRECTLY OR THROUGH THIRD-PARTY REIMBURSEMENT. OTHER

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CHARACTERISTICS OF THE HOSPITAL THAT THE IRS HIGHLIGHTED INCLUDED THE FOLLOWING: ITS SURPLUS FUNDS WERE USED TO IMPROVE PATIENT CARE, EXPAND HOSPITAL FACILITIES, AND ADVANCE MEDICAL TRAINING, EDUCATION, AND RESEARCH; IT WAS CONTROLLED BY A BOARD OF TRUSTEES THAT CONSISTED OF INDEPENDENT CIVIC LEADERS; AND HOSPITAL MEDICAL STAFF PRIVILEGES WERE AVAILABLE TO ALL QUALIFIED PHYSICIANS.

MEDICARE UNDERPAYMENTS AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS ARE INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I.

THE AMERICAN HOSPITAL ASSOCIATION ("AHA") FEELS THAT MEDICARE UNDERPAYMENTS (SHORTFALL) AND BAD DEBT ARE COMMUNITY BENEFIT AND THUS INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I. THIS ORGANIZATION AGREES WITH THE AHA POSITION. AS OUTLINED IN THE AHA LETTER TO THE IRS DATED AUGUST 21, 2007 WITH RESPECT TO THE FIRST PUBLISHED DRAFT OF THE NEW FORM 990 AND SCHEDULE H, THE AHA FELT THAT THE IRS SHOULD INCORPORATE THE FULL VALUE OF THE COMMUNITY BENEFIT THAT HOSPITALS PROVIDE BY COUNTING MEDICARE UNDERPAYMENTS (SHORTFALL) AS QUANTIFIABLE COMMUNITY BENEFIT FOR

Part VI Supplemental Information

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THE FOLLOWING REASONS:

- PROVIDING CARE FOR THE ELDERLY AND SERVING MEDICARE PATIENTS IS AN ESSENTIAL PART OF THE COMMUNITY BENEFIT STANDARD.

- MEDICARE, LIKE MEDICAID, DOES NOT PAY THE FULL COST OF CARE. RECENTLY, MEDICARE REIMBURSES HOSPITALS ONLY 92 CENTS FOR EVERY DOLLAR THEY SPEND TO TAKE CARE OF MEDICARE PATIENTS. THE MEDICARE PAYMENT ADVISORY COMMISSION ("MEDPAC") IN ITS MARCH 2007 REPORT TO CONGRESS CAUTIONED THAT UNDERPAYMENT WILL GET EVEN WORSE, WITH MARGINS REACHING A 10-YEAR LOW AT NEGATIVE 5.4 PERCENT.

- MANY MEDICARE BENEFICIARIES, LIKE THEIR MEDICAID COUNTERPARTS, ARE POOR. MORE THAN 46 PERCENT OF MEDICARE SPENDING IS FOR BENEFICIARIES WHOSE INCOME IS BELOW 200 PERCENT OF THE FEDERAL POVERTY LEVEL. MANY OF THOSE MEDICARE BENEFICIARIES ARE ALSO ELIGIBLE FOR MEDICAID -- SO CALLED "DUAL ELIGIBLES."

Part VI Supplemental Information

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THERE IS EVERY COMPELLING PUBLIC POLICY REASON TO TREAT MEDICARE AND MEDICAID UNDERPAYMENTS SIMILARLY FOR PURPOSES OF A HOSPITAL'S COMMUNITY BENEFIT AND INCLUDE THESE COSTS ON FORM 990, SCHEDULE H, PART I. MEDICARE UNDERPAYMENT MUST BE SHOULDERED BY THE HOSPITAL IN ORDER TO CONTINUE TREATING THE COMMUNITY'S ELDERLY AND POOR. THESE UNDERPAYMENTS REPRESENT A REAL COST OF SERVING THE COMMUNITY AND SHOULD COUNT AS A QUANTIFIABLE COMMUNITY BENEFIT.

BOTH THE AHA AND THIS ORGANIZATION ALSO FEEL THAT PATIENT BAD DEBT IS A COMMUNITY BENEFIT AND THUS INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I. LIKE MEDICARE UNDERPAYMENT (SHORTFALLS), THERE ALSO ARE COMPELLING REASONS THAT PATIENT BAD DEBT SHOULD BE COUNTED AS QUANTIFIABLE COMMUNITY BENEFIT AS FOLLOWS:

- A SIGNIFICANT MAJORITY OF BAD DEBT IS ATTRIBUTABLE TO LOW-INCOME PATIENTS, WHO, FOR MANY REASONS, DECLINE TO COMPLETE THE FORMS REQUIRED TO ESTABLISH ELIGIBILITY FOR HOSPITALS' CHARITY CARE OR FINANCIAL ASSISTANCE PROGRAMS. A 2006 CONGRESSIONAL BUDGET OFFICE ("CBO") REPORT,

Part VI Supplemental Information

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NONPROFIT HOSPITALS AND THE PROVISION OF COMMUNITY BENEFITS, CITED TWO STUDIES INDICATING THAT "THE GREAT MAJORITY OF BAD DEBT WAS ATTRIBUTABLE TO PATIENTS WITH INCOMES BELOW 200% OF THE FEDERAL POVERTY LINE."

- THE REPORT ALSO NOTED THAT A SUBSTANTIAL PORTION OF BAD DEBT IS PENDING CHARITY CARE. UNLIKE BAD DEBT IN OTHER INDUSTRIES, HOSPITAL BAD DEBT IS COMPLICATED BY THE FACT THAT HOSPITALS FOLLOW THEIR MISSION TO THE COMMUNITY AND TREAT EVERY PATIENT THAT COMES THROUGH THEIR EMERGENCY DEPARTMENT, REGARDLESS OF ABILITY TO PAY. PATIENTS WHO HAVE OUTSTANDING BILLS ARE NOT TURNED AWAY, UNLIKE OTHER INDUSTRIES. BAD DEBT IS FURTHER COMPLICATED BY THE AUDITING INDUSTRY'S STANDARDS ON REPORTING CHARITY CARE. MANY PATIENTS CANNOT OR DO NOT PROVIDE THE NECESSARY, EXTENSIVE DOCUMENTATION REQUIRED TO BE DEEMED CHARITY CARE BY AUDITORS. AS A RESULT, ROUGHLY 40% OF BAD DEBT IS PENDING CHARITY CARE.

- THE CBO CONCLUDED THAT ITS FINDINGS "SUPPORT THE VALIDITY OF THE USE OF UNCOMPENSATED CARE [BAD DEBT AND CHARITY CARE] AS A MEASURE OF COMMUNITY BENEFITS" ASSUMING THE FINDINGS ARE GENERALIZABLE NATIONWIDE; THE

Part VI Supplemental Information

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EXPERIENCE OF HOSPITALS AROUND THE NATION REINFORCES THAT THEY ARE
GENERALIZABLE.

AS OUTLINED BY THE AHA, DESPITE THE HOSPITALS' BEST EFFORTS AND DUE
DILIGENCE, PATIENT BAD DEBT IS A PART OF THE HOSPITAL'S MISSION AND
CHARITABLE PURPOSES. BAD DEBT REPRESENTS PART OF THE BURDEN HOSPITALS
SHOULDER IN SERVING ALL PATIENTS REGARDLESS OF RACE, COLOR, CREED, SEX,
NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY. IN ADDITION, THE HOSPITAL
INVESTS SIGNIFICANT RESOURCES IN SYSTEMS AND STAFF TRAINING TO ASSIST
PATIENTS THAT ARE IN NEED OF FINANCIAL ASSISTANCE.

SCHEDULE H, PART III, SECTION B; QUESTION 9B

CONNECTICUT CHILDREN'S MEDICAL CENTER WILL ONLY REFER THOSE ACCOUNTS TO
COLLECTION AGENCIES WHEN IT HAS BEEN DETERMINED THAT THE
PATIENT/GUARANTOR HAS THE MEANS TO PAY THE BALANCE AND HAS CHOSEN NOT TO
APPLY FOR PATIENT FINANCIAL ASSISTANCE.

Part VI Supplemental Information

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SCHEDULE H, PART VI; QUESTION 2

IN ADDITION TO THE INTERNAL REVENUE CODE §501(R) COMMUNITY HEALTH NEEDS ASSESSMENT INFORMATION OUTLINED IN FORM 990, SCHEDULE H, PART V, SECTION B, CONNECTICUT CHILDREN'S ALSO CONDUCTED THE FOLLOWING ACTIVITIES WITH RESPECT TO ITS CHNA:

IN MARCH OF 2012, THE COLLABORATIVE MADE UP OF CONNECTICUT CHILDREN'S MEDICAL CENTER, HARTFORD HOSPITAL, ST. FRANCIS HOSPITAL, UNIVERSITY OF CONNECTICUT HEALTH CENTER AND THE CITY OF HARTFORD'S HEALTH AND HUMAN SERVICES DEPARTMENT RELEASED A COMMUNITY HEALTH NEEDS ASSESSMENT ("CHNA"). THE CHNA WAS ADOPTED BY CONNECTICUT CHILDREN'S MEDICAL CENTER DURING 2013.

THE ASSESSMENT FOCUSED SPECIFICALLY ON HARTFORD USING DATA FROM THE CITY'S HEALTH EQUITY INDEX, SURVEYS FROM AREA KEY INFORMANTS, THE HARTFORD SURVEY PROJECT, AND SECONDARY DATA, MUCH OF WHICH CAME FROM CONNECTICUT'S DEPARTMENT OF PUBLIC HEALTH VITAL STATISTICS AND HEALTH

Part VI Supplemental Information

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OUTCOMES. ADDITIONALLY, WE HAVE OPPORTUNITIES TO ASSESS NEEDS THROUGH A NUMBER OF OTHER VEHICLES THAT ALLOW US TO LOOK DEEPER INTO HARTFORD, BUT ALSO THE HEALTH OF CHILDREN THROUGHOUT THE STATE. SOME OF THOSE VEHICLES INCLUDE:

- SITTING ON THE CITY'S PUBLIC HEALTH ADVISORY COMMITTEE;
- COLLECTING INFORMATION ABOUT HEALTH TRENDS FROM OUR CLINICS AND EMERGENCY DEPARTMENT;
- RESEARCHING LOCAL AND NATIONAL HEALTH RELATED ISSUES;
- PARTICIPATING ON NEIGHBORHOOD, LOCAL, STATEWIDE AND NATIONAL COMMITTEES, COALITIONS, NETWORKS AND BOARDS OF DIRECTORS USING THOSE OPPORTUNITIES TO GUIDE OUR DECISION MAKING; AND
- RESPONDING TO GRANT OPPORTUNITIES WHICH REQUIRE US TO ASSESS SPECIFIC NEEDS AS THEY RELATE TO A SPECIFIC GRANT.

OUR STATE HOSPITAL ASSOCIATION HAS DEVELOPED A NETWORK OF COMMUNITY BENEFIT REPORTERS WHO SHARE THEIR COMMUNITY HEALTH NEEDS ASSESSMENTS. WE ARE ABLE TO LOOK TO SEE WHAT THEY HAVE IDENTIFIED AS NEEDS IN PEDIATRICS

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AT THEIR LOCAL LEVELS.

WE LOOK AT THE PROCESS FOR ASSESSING THE HEALTHCARE NEEDS OF THE COMMUNITY AS A ROLLING, EVOLVING PROCESS. THE CHNA MAY REPRESENT A SNAPSHOT IN TIME, BUT THE COMMUNITY IS NOT STAGNANT. WHILE "HEALTH" WITHIN COMMUNITY RESIDENTS MAY GET BETTER OR WORSE, THERE ARE MANY CONTRIBUTING FACTORS THAT ARE BEYOND THE CONTROL OF HEALTH PROVIDERS. IT IS IMPERATIVE THAT AS A PROVIDER, WE BECOME AWARE OF ANY OPPORTUNITY THAT MIGHT INFORM HOW WE PRACTICE, HOW WE PARTNER, AND HOW WE CAN CONTRIBUTE TOWARD A HEALTHIER ENVIRONMENT.

WHILE THE FORMAL CHNA DID PROVIDE US WITH AN OPPORTUNITY TO LEARN FROM A GREAT MANY INDIVIDUALS AND ORGANIZATIONS IN THE CITY, THE CITY AND STATE ARE FACING BUDGET CHALLENGES THAT AFFECT NON-PROFIT ORGANIZATIONS, PROGRAM PARTNERS, AND GOVERNMENT ENTITIES THAT SUPPORT THE EFFORTS TO CREATE AND SUSTAIN A THRIVING ENVIRONMENT FOR CHILDREN AND FAMILIES. THE NARRATIVE IN SECTION B MAKES REFERENCE TO A NUMBER OF INFORMATION SOURCES THAT INFORMS OUR WORK. AT VARIOUS TIMES WE MAY HAPPEN UPON A NEW SOURCE

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OF INFORMATION, IDENTIFY ASSETS IN THE COMMUNITY, OR DEVELOP NEW RELATIONSHIPS WITH POTENTIAL COLLABORATORS.

IN THE EVENT THAT WE IDENTIFY A NEED AND OPPORTUNITY TO ADDRESS IT QUICKLY, THAT MAY BE OUTSIDE OF OUR FORMAL CHNA AND COMMUNITY HEALTH IMPROVEMENT PLAN (CHIP), WE ARE OBLIGED TO ACT. MENTIONED IN OUR RESPONSE TO PART V, SECTION B, QUESTION 11 ARE TWO SOURCES OF INFORMATION THAT WILL MAKE UP COMPONENTS OF OUR NEXT CHNA THAT ARE EXAMPLES OF ACTING ON OPPORTUNITIES BEFORE WAITING FOR A FORMAL CHNA PROCESS TO BEGIN.

IN ONE CASE, THE BLUEPRINT FOR MATERNAL AND CHILD HEALTH, A GRANT HAS BEEN PREPARED TO RESPOND TO SOME OF THE FINDINGS. SINA'S ECONOMIC DEVELOPMENT STUDY IS CURRENTLY BEING VETTED WITH RESIDENTS AND COMMUNITY LEADERS. AN EXAMPLE OF INFORMATION GATHERING, NOT MENTIONED IN SECTION B, CAME FROM AN OPPORTUNITY IN 2014. IN AUGUST OF 2014, THE NURSING LEADERSHIP AT CONNECTICUT CHILDREN'S MEDICAL CENTER HELD A SYMPOSIUM FOR SCHOOL AND COMMUNITY NURSES. WE TOOK THE OPPORTUNITY TO SURVEY THE ATTENDEES ABOUT WHAT THEIR EXPERIENCES TELL US ABOUT CHILD HEALTH

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PRIORITIES. THIS TOO WILL BE A COMPONENT OF OUR NEXT CHNA, BUT WE'VE
 BEGUN TO ACT AND EXPLORE OPPORTUNITIES TO HELP SUPPORT THOSE
 PARTICIPANTS. WE PLAN ON INCLUDING A SURVEY WHEN THE NEXT SYMPOSIUM IS
 CONDUCTED AS WE CONSIDER THOSE PARTICIPANTS TO BE TRUE "KEY INFORMANTS".

WE'VE ALSO PARTICIPATED IN OTHER STATEWIDE AND LOCAL EFFORTS WITH
 ASSESSMENTS. ONE SUCH EFFORT IS BEING CONDUCTED BY A GROUP CALLED
 DATAHAVEN LOCATED IN NEW HAVEN, CONNECTICUT. DATAHAVEN RECENTLY CONDUCTED
 A WELL-BEING SURVEY AMONGST 17,000 RESIDENTS OF CONNECTICUT. A NUMBER OF
 CONNECTICUT HOSPITALS WILL BE USING THEIR FINDINGS AS COMPONENTS OF THEIR
 COMMUNITY HEALTH NEEDS ASSESSMENTS. WE'VE PARTICIPATED IN DISCUSSIONS
 REGARDING THE SURVEY PLANNING PROCESS AND WITH LOCAL DISCUSSIONS TO
 REVIEW THE FINDINGS.

SCHEDULE H, PART VI; QUESTION 3

IN ADDITION TO BEING POSTED ON OUR ORGANIZATION'S WEBSITE AND AVAILABLE
 WITHIN THE FACILITY UPON REQUEST, INFORMATION ADDRESSING THE PATIENT

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FINANCIAL ASSISTANCE POLICY AND THE CREDITS AND COLLECTIONS POLICY ARE ALSO POSTED (IN ENGLISH AND SPANISH) IN GENERAL PUBLIC AREAS IN AN EFFORT TO NOTIFY PATIENTS AND THEIR GUARANTORS OF THE AVAILABILITY OF HOSPITAL-BASED ASSISTANCE AND OTHER PROGRAMS OF PUBLIC ASSISTANCE.

IF THE HOSPITAL DETERMINES THAT A PATIENT OR GUARANTOR IS POTENTIALLY ELIGIBLE FOR MEDICAID OR OTHER GOVERNMENT PROGRAM, IT WILL ENCOURAGE THE PATIENT OR GUARANTOR TO APPLY FOR SUCH PROGRAM AND THE FINANCIAL COUNSELORS WILL ASSIST PATIENT GUARANTORS IN APPLYING FOR MEDICAID, HOSPITAL-BASED ASSISTANCE, OR OTHER ASSISTANCE AND PAYMENT PLAN PROGRAMS WHEN APPROPRIATE.

CONNECTICUT CHILDREN'S MEDICAL CENTER OFFERS HOSPITAL-BASED ASSISTANCE FOR MEDICALLY NECESSARY INPATIENT AND OUTPATIENT SERVICES FOR THOSE PATIENTS UNABLE TO PAY WHO CAN DEMONSTRATE FINANCIAL NEED ACCORDING TO CONNECTICUT CHILDREN'S MEDICAL CENTER'S PATIENT FINANCIAL ASSISTANCE ELIGIBILITY DETERMINATION METHODOLOGY. IT IS AVAILABLE AS A LAST RESORT AFTER ALL OTHER THIRD PARTY RESOURCES HAVE BEEN EXHAUSTED. ONCE APPROVED,

Part VI Supplemental Information

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THE DURATION FOR ELIGIBILITY FOR FINANCIAL ASSISTANCE IS SIX MONTHS.

SCHEDULE H, PART VI; QUESTION 4

CONNECTICUT CHILDREN'S MEDICAL CENTER IS LOCATED IN HARTFORD CONNECTICUT.
 WE SERVE CHILDREN AND FAMILIES FROM THE ENTIRE STATE, THOUGH THE HEAVIEST
 CONCENTRATION OF THOSE SERVED COME FROM THE HARTFORD/GREATER HARTFORD
 AREA.

CONNECTICUT RANKS AS ONE OF THE WEALTHIER STATES IN THE U.S. BASED ON PER
 CAPITA INCOME, WITH HARTFORD RANKED AS ONE OF THE POOREST CITIES OF ITS
 SIZE IN THE COUNTRY. THE NEIGHBORHOOD AROUND THE MEDICAL CENTER IS ONE OF
 HARTFORD'S POOREST.

SOME STATISTICS THAT DESCRIBE OUR COMMUNITY SERVED INCLUDE:

- THE U.S. CENSUS LISTS CT'S POPULATION AT 3.5 MILLION PEOPLE. 70% OF THE
 RESIDENTS ARE WHITE, 15% ARE HISPANIC OF LATINO, AND 11% ARE BLACK OR

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AFRICAN AMERICAN. ACCORDING TO NUMEROUS SOURCES, CONNECTICUT RANKS

ANYWHERE FROM #1 - #3 OF THE RICHEST STATES IN PER CAPITA INCOME.

- HARTFORD'S POPULATION IS CLOSE TO 125,000. 43% OF THE RESIDENTS ARE HISPANIC OR LATINO, 38% ARE BLACK OR AFRICAN AMERICAN, AND 15% ARE IDENTIFIED AS WHITE. AN ESTIMATED 38% OF THE CITY'S RESIDENTS LIVE IN POVERTY, COMPARED TO 10.7% OF THE STATE'S OVERALL POPULATION. AN ESTIMATED 44% OF HARTFORD FAMILIES WITH CHILDREN BELOW AGE 18 LIVE IN POVERTY. MORE THAN 50,000 RESIDENTS (42%) PARTICIPATE IN THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM. AN ESTIMATED 77% OF HARTFORD STUDENTS WERE ELIGIBLE FOR FREE OR REDUCED PRICE SCHOOL MEALS DURING THE 2012 YEAR. MORE THAN 52% OF THE 70,501 REQUESTS FROM HARTFORD RESIDENTS TO THE UNITED WAY'S INFORMATION AND REFERRAL SERVICE, 2-1-1, WERE FOR ASSISTANCE FOR BASIC NEEDS SUCH AS HOUSING, FOOD AND UTILITIES (INFORMATION FROM THE BLUEPRINT ON WOMEN AND CHILDREN'S HEALTH).

- ACCORDING TO SINA'S NEIGHBORHOOD ECONOMIC DEVELOPMENT STUDY, THE NEIGHBORHOODS AROUND CONNECTICUT CHILDREN'S MEDICAL CENTER CONSIST OF

Part VI Supplemental Information

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MORE THAN 60% LATINO RESIDENTS AND MORE THAN 20% OTHER MINORITIES, MAINLY AFRICAN AMERICAN. ALMOST 60% OF THE HOUSEHOLDS HAVE ANNUAL INCOMES OF LESS THAN \$25,000, AND ABOUT 25% HAVE ANNUAL INCOMES OF LESS THAN \$10,000. FEWER THAN 20% HAVE INCOMES GREATER THAN \$50,000. THESE FIGURES ARE ALL LOWER THAN THE CITY AVERAGE. ADDITIONALLY, MORE THAN 50% OF THE HOUSEHOLDS RECEIVE CASH ASSISTANCE AND/OR FOOD STAMPS, FIGURES THAT ARE HIGHER THAN THE CITY AVERAGE. ABOUT 40% OF THE ADULTS AGE 25 AND OLDER DO NOT HAVE A HIGH SCHOOL DIPLOMA OR EQUIVALENT. LESS THAN 20% HAVE EARNED AN ASSOCIATE'S DEGREE OR HIGHER.

IT IS SAFE TO SAY THAT CONNECTICUT HAD GREAT ECONOMIC DISPARITY AMONG ITS RESIDENTS.

SCHEDULE H, PART VI; QUESTION 5

CONNECTICUT CHILDREN'S MEDICAL CENTER HAS A VISION TO MAKE CONNECTICUT'S CHILDREN THE HEALTHIEST IN THE NATION. WHILE WE PROVIDE LEADING MEDICAL CARE, TREATMENT, AND FOLLOW-UP SUPPORT WITHIN OUR FACILITIES, SOME OF THE

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BEST WORK WE DO TO PROMOTE CHILDREN'S HEALTH HAPPENS WITHIN CONNECTICUT'S COMMUNITIES.

THE OFFICE OF COMMUNITY CHILD HEALTH ("OCCH") IS DEDICATED TO DEVELOPING AND SUPPORTING COMMUNITY-BASED PROGRAMS THAT PROMOTE CHILDREN'S OPTIMAL HEALTHY DEVELOPMENT. OCCH HAS ENABLED US TO PLACE OUR COMMUNITY FOCUSED PROGRAMS UNDER ONE UMBRELLA. THIS HAS PROVIDED US WITH THE OPPORTUNITY TO MORE EFFICIENTLY USE OUR RESOURCES, DEVELOP NEW PARTNERSHIPS, AND PROMOTE COMMUNITY HEALTH, KEEPING US FOCUSED ON OUR MISSION TO MAKE CONNECTICUT'S CHILDREN THE HEALTHIEST IN THE COUNTRY.

OCCH PROMOTES COMMUNITY HEALTH ON A LOCAL, STATEWIDE, AND NATIONAL LEVEL, WITH MUCH OF THE MESSAGING FOCUSED ON THE IMPORTANCE OF HAVING A SYSTEM THAT SUPPORTS THE HEALTHY DEVELOPMENT OF ALL CHILDREN.

HEALTH PROVIDERS ARE KEY RESOURCES AS COMMUNITY PROVIDERS, BUT WITHOUT OTHER PARTNERSHIPS ON THE LOCAL, STATE, AND FEDERAL LEVELS, MAXIMIZING THE PROMOTION OF CHILDREN'S HEALTH IN ALL OF OUR COMMUNITIES WILL NOT BE

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ACHIEVED.

PROGRAMS UNDER OCCH, NOTABLY EASY BREATHING, EPIC, MAINTENANCE OF CERTIFICATION, AND THE CO-MANAGEMENT PROGRAM, WORK WITH OTHER PROVIDERS ACROSS THE STATE TO HELP IDENTIFY BETTER APPROACHES TO MANAGING CHILDREN'S HEALTH ISSUES AS A MEANS OF PROMOTING BETTER HEALTH AND WORKING TOWARD BETTER HEALTH OUTCOMES. ADDITIONALLY, WE PROVIDE WEEKLY GRAND ROUNDS, INVITING PARTICIPATION FROM COMMUNITY PROVIDERS. SUBJECT MATTER FOR GRAND ROUNDS INCLUDES INNOVATIVE APPROACHES TO BETTER HEALTH IN THE COMMUNITY.

WE ALSO HAVE A REFERRING PROVIDER BOARD OF PEDIATRICIANS THAT REPRESENTS DIFFERENT GEOGRAPHIC COMMUNITIES AROUND THE STATE. WE SOLICIT THEIR INPUT FOR HOW TO BEST PROMOTE CHILDREN'S HEALTH THROUGHOUT THE STATE.

SOME OF OUR PROGRAMS HAVE HEALTH PROMOTION AS A COMPONENT. OUR INJURY PREVENTION CENTER PROMOTES COMMUNITY HEALTH WITH ALL OF THEIR PREVENTION ACTIVITIES; CAR SEAT CLINICS, NEW TEEN DRIVER ACTIVITIES, PROGRAMS ON

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PEDESTRIAN SAFETY, TOY SAFETY AND SMOKE DETECTOR USE. INTENTIONAL AND UNINTENTIONAL INJURIES THAT RESULT IN CHILDREN AND YOUTH ENDING UP IN EMERGENCY ROOMS ARE STUDIED TO SEE IF THERE MIGHT BE OPPORTUNITIES TO ADVOCATE, EDUCATE, AND COLLABORATE WITH COMMUNITY PARTNERS TO PREVENT INJURIES.

HEALTHY HOMES PROMOTES COMMUNITY HEALTH IN THE AREAS OF LEAD PAINT HAZARDS, MOLD AND OTHER ASTHMA TRIGGERS, AND HOME SAFETY ISSUES, WORKING WITH INDIVIDUAL HOMEOWNERS, INDIVIDUALS BEING TRAINED AS HOUSING INSPECTORS, AND MUNICIPAL WORKERS.

HYHIL FOCUSES ON BUILDING A COLLABORATIVE THAT PROMOTES SAFE SEXUAL BEHAVIORS AMONG ADOLESCENTS AND YOUNG ADULTS.

REACH PROVIDES PEDIATRIC RESIDENTS THE OPPORTUNITY TO LEARN ABOUT THE COMMUNITY AND THE MANY WAYS THEY CAN BROADEN THEIR IMPACT ON THE LIVES OF YOUNG PEOPLE.

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OUR GOVERNMENT RELATIONS DEPARTMENT IS A VEHICLE WHEREBY CHILDREN'S COMMUNITY HEALTH INFORMATION CAN BE BROUGHT BEFORE OUR ELECTED OFFICIALS. AN EXAMPLE OF THIS IS WHEN WE BEGAN TO STUDY ACCIDENT RATES OF NEW TEEN DRIVERS. THE SHARING OF THOSE STUDIES WITH LEGISLATIVE LEADERS AND COMMUNITY PARTNERS WAS THE START OF WHAT LATER BECAME LEGISLATION THAT ADDED SOME RESTRICTIONS TO NEW YOUNG DRIVERS. IN CONTINUING TO STUDY ACCIDENT REPORTS, WE CAN SEE A DECLINE IN ACCIDENT RATES OVER THE PAST 2 YEARS.

OUR CORPORATE COMMUNICATION DEPARTMENT PRODUCES NUMEROUS PUBLICATIONS THROUGHOUT THE YEAR. WHILE MANY OF THE WORKS ARE INTENDED TO MARKET OUR SERVICES, MANY ALSO CONTAIN MESSAGING ABOUT COMMUNITY HEALTH.

SCHEDULE H, PART VI; QUESTION 6

OUTLINED BELOW IS A SUMMARY OF THE ENTITIES WHICH COMPRISE CCMC CORPORATION AND SUBSIDIARIES:

Part VI Supplemental Information

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NOT FOR-PROFIT ENTITIES:

CCMC CORPORATION

CCMC CORPORATION IS THE TAX-EXEMPT PARENT OF AN INTEGRATED HEALTHCARE DELIVERY SYSTEM WHICH CONSISTS OF A GROUP OF AFFILIATED HEALTHCARE ORGANIZATIONS.

CCMC CORPORATION IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE §501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE §509(A)(3).

AS THE PARENT ORGANIZATION, CCMC CORPORATION STRIVES TO CONTINUALLY DEVELOP AND OPERATE A HEALTHCARE SYSTEM WHICH PROVIDES SUBSTANTIAL COMMUNITY BENEFIT THROUGH THE PROVISION OF A COMPREHENSIVE SPECTRUM OF HEALTHCARE SERVICES TO THE CHILDREN OF CONNECTICUT AND SURROUNDING COMMUNITIES. CCMC CORPORATION ENSURES THAT ITS SYSTEM PROVIDES MEDICALLY

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NECESSARY HEALTHCARE SERVICES TO ALL CHILDREN REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN OR ABILITY TO PAY. NO CHILDREN ARE DENIED NECESSARY MEDICAL CARE, TREATMENT OR SERVICES.

CCMC CORPORATION IS THE SOLE MEMBER OF CONNECTICUT CHILDREN'S MEDICAL CENTER OPERATES CONSISTENTLY WITH THE FOLLOWING CRITERIA OUTLINED IN IRS REVENUE RULING 69-545:

1. IT PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL CHILDREN REGARDLESS OF ABILITY TO PAY, INCLUDING CHARITY CARE, SELF-PAY, MEDICARE AND MEDICAID PATIENTS;
2. IT OPERATES AN ACTIVE EMERGENCY DEPARTMENT FOR ALL CHILDREN; WHICH IS OPEN 24 HOURS A DAY, 7 DAYS A WEEK, 365 DAYS PER YEAR;
3. IT MAINTAINS AN OPEN MEDICAL STAFF, WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS;

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4. CONTROL OF THE HOSPITAL RESTS WITH ITS BOARD OF DIRECTORS AND THE BOARD OF DIRECTORS OF CCMC CORPORATION. BOTH BOARDS ARE COMPRISED OF A MAJORITY OF INDEPENDENT CIVIC LEADERS AND OTHER PROMINENT MEMBERS OF THE COMMUNITY; AND

5. SURPLUS FUNDS ARE USED TO IMPROVE THE QUALITY OF PATIENT CARE, EXPAND AND RENOVATE FACILITIES AND ADVANCE MEDICAL CARE; PROGRAMS AND ACTIVITIES.

CONNECTICUT CHILDREN'S MEDICAL CENTER FOUNDATION, INC.

CONNECTICUT CHILDREN'S MEDICAL CENTER FOUNDATION, INC. IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE §501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE §509(A)(1). THE ORGANIZATION SUPPORTS CONNECTICUT CHILDREN'S MEDICAL CENTER; A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION, AND ITS AFFILIATES IN

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PROVIDING MEDICALLY NECESSARY HEALTHCARE SERVICES TO THE COMMUNITY IN A
 NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL
 ORIGIN OR ABILITY TO PAY.

CCMC AFFILIATES, INC.

CCMC AFFILIATES, INC. IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL
 REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE
 §501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE
 CODE §509(A)(2). THE ORGANIZATION PROVIDES SPECIALIZED EDUCATION AND
 CHILD DEVELOPMENT PROGRAMS TO CHILDREN OF CONNECTICUT AND THE SURROUNDING
 AREAS.

CONNECTICUT CHILDREN'S SPECIALTY GROUP, INC.

CONNECTICUT CHILDREN'S SPECIALTY GROUP, INC. IS AN ORGANIZATION

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RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO
INTERNAL REVENUE CODE §501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT
TO INTERNAL REVENUE CODE §509(A)(2). THE ORGANIZATION PROVIDES MEDICALLY
NECESSARY HEALTHCARE SERVICES TO ALL CHILDREN REGARDLESS OF RACE, COLOR,
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CHILDREN'S FUND OF CONNECTICUT, INC.

CHILDREN'S FUND OF CONNECTICUT, INC. IS AN ORGANIZATION RECOGNIZED BY THE
INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE
§501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE
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CENTER; A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT
ORGANIZATION, AND ITS AFFILIATES IN PROVIDING MEDICALLY NECESSARY
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- 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.

CHILDREN'S HEALTH AND DEVELOPMENT INSTITUTE, INC.

CHILDREN'S HEALTH AND DEVELOPMENT INSTITUTE, INC. IS AN ORGANIZATION
 RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO
 INTERNAL REVENUE CODE §501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT
 TO INTERNAL REVENUE CODE §509(A)(1). THE ORGANIZATION PROVIDES MEDICALLY
 NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS REGARDLESS OF RACE,
 COLOR, CREED, SEX, NATIONAL ORIGIN OR ABILITY TO PAY.

CAPITAL AREA HEALTH CONSORTIUM, INC.

CAPITAL AREA HEALTH CONSORTIUM, INC. IS AN ORGANIZATION RECOGNIZED BY THE
 INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE
 §501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE
 CODE §509(A)(3). THE ORGANIZATION SUPPORTS CONNECTICUT CHILDREN'S MEDICAL
 CENTER; A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT

Part VI Supplemental Information

Provide the following information.

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

ORGANIZATION, AND ITS AFFILIATES IN PROVIDING MEDICALLY NECESSARY
HEALTHCARE SERVICES TO ALL CHILDREN REGARDLESS OF RACE, COLOR, CREED,
SEX, NATIONAL ORIGIN OR ABILITY TO PAY.

FOR-PROFIT ENTITIES:

CCMC VENTURES, INC.

A FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS CCMC CORPORATION. THE
ORGANIZATION IS LOCATED IN HARTFORD, CONNECTICUT. THIS ENTITY IS
CURRENTLY INACTIVE.

SCHEDULE H, PART VI; QUESTION 7

THE STATE OF CONNECTICUT REQUIRES HOSPITALS TO FILE A COMMUNITY BENEFIT
REPORT WITH CONNECTICUT'S OFFICE OF THE HEALTHCARE ADVOCATE. THE REPORT
IS SUBMITTED EVERY OTHER YEAR. A REPORT FOR FISCAL YEARS 2011 AND 2012

Part VI Supplemental Information

Provide the following information.

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

WAS SUBMITTED IN 2013. STARTING IN 2014, FOLLOWING DISCUSSIONS WITH THE
 CONNECTICUT HOSPITAL ASSOCIATION AND REPRESENTATIVES FROM A NUMBER OF
 CONNECTICUT HOSPITALS (INCLUDING CONNECTICUT CHILDREN'S), THE HEALTHCARE
 ADVOCATE'S OFFICE AGREED TO ACCEPT EACH HOSPITAL'S SCHEDULE H IN LIEU OF
 FILING SEPARATE REPORTS

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

**Open to Public
Inspection**

Name of the organization

CONNECTICUT CHILDREN'S MEDICAL CENTER

Employer identification number

06-0646755

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) |

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

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked 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, but explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input 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.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) 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.

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.

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

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

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

	Yes	No
1a		
1b		
2		
3		
4a	X	
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X
9		

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

Schedule J (Form 990) 2014

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 and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990	
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation					
1	MARTIN J. GAVIN DIRECTOR; EX-OFFICIO-PRES/CEO	(i)	445,756.	0	40,722.	26,000.	9,594.	522,072.	0
		(ii)	0	0	0	0	0	0	0
2	PATRICK J. GARVEY, CPA, TREASURER; SVP/CFO	(i)	244,283.	10,000.	549.	18,200.	19,589.	292,621.	0
		(ii)	0	0	0	0	0	0	0
3	FERNANDO FERRER, M.D. EVP CLINICAL AFFAIRS	(i)	0	0	0	0	0	0	0
		(ii)	757,212.	0	33,691.	23,400.	23,980.	838,283.	0
4	PAUL H. DWORKIN EVP COMMUNITY CHILD HEALTH	(i)	372,294.	0	29,709.	28,600.	3,533.	434,136.	0
		(ii)	0	0	0	0	0	0	0
5	THERESA M. HENDRICKSEN EVP & CHIEF OPERATING OFFICER	(i)	376,195.	0	21,572.	10,400.	22,388.	430,555.	0
		(ii)	0	0	0	0	0	0	0
6	ANN G. TAYLOR, JD EVP & CHIEF ADMIN. OFFICER	(i)	293,386.	10,000.	28,004.	26,000.	15,556.	372,946.	0
		(ii)	0	0	0	0	0	0	0
7	ANDREA L. BENIN, M.D. SVP QUALITY AND PATIENT SAFETY	(i)	332,948.	75,000.	9,656.	18,200.	29,536.	465,340.	0
		(ii)	0	0	0	0	0	0	0
8	KELLY STYLES SVP OPERATIONS & CIO	(i)	217,508.	0	19,662.	21,150.	2,206.	260,526.	0
		(ii)	0	0	0	0	0	0	0
9	LAWRENCE E. MILAN SVP & CHIEF HUMAN RESOURCES	(i)	217,556.	10,000.	3,079.	19,314.	8,634.	258,583.	0
		(ii)	0	0	0	0	0	0	0
10	DEAN A. RAPOZA SVP BUSINESS DEVELOPMENT	(i)	226,297.	0	4,060.	24,908.	5,102.	260,367.	0
		(ii)	18,859.	0	97.	782.	19,867.	39,605.	0
11	CHERYL HOEY, RN, BSN, M SVP CLINICAL SERVICE & CNO	(i)	220,155.	0	2,078.	20,385.	22,216.	264,834.	0
		(ii)	0	0	0	0	0	0	0
12	RICHELLE DEMAYO, M.D. CHIEF MED INFORMATION OFFICER	(i)	260,688.	0	1,213.	18,200.	9,083.	289,184.	0
		(ii)	0	0	0	0	0	0	0
13	THOMAS RICHARDSON CSO - VP MARKETING & COMM	(i)	164,782.	10,000.	536.	16,515.	18,879.	210,712.	0
		(ii)	0	0	0	0	0	0	0
14	JUAN SALAZAR, M.D. PHYSICIAN IN CHIEF	(i)	314,455.	5,000.	16,334.	23,400.	25,258.	384,447.	0
		(ii)	0	0	0	0	0	0	0
15	BOBBY M. VARGAS ASSOCIATE GENERAL COUNSEL	(i)	199,489.	0	385.	14,245.	19,107.	233,226.	0
		(ii)	0	0	0	0	0	0	0
16	LINDA A. GROOM PROF PRACTICE RN IV	(i)	188,449.	0	5,832.	17,475.	2,315.	214,071.	0
		(ii)	0	0	0	0	0	0	0

Schedule J (Form 990) 2014

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 and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	JUNG PARK DIR APPLICATION SUPPORT SVCS	(i) 170,369.	0	326.	12,313.	15,970.	198,978.	0
	(ii)	0	0	0	0	0	0	0
2	WILLIAM A. AGOSTINUCCI SR DIR CLINICAL/FAMILY SVS	(i) 161,734.	0	5,047.	18,926.	17,521.	203,228.	0
	(ii)	0	0	0	0	0	0	0
3	PHILIP B. HOPKINS DIRECTOR TECHNICAL SERVICES	(i) 165,104.	0	767.	13,160.	1,542.	180,573.	0
	(ii)	0	0	0	0	0	0	0
4	BARBARA E. BROWN FORMER HIGHEST COMPENSATED EMP	(i) 111,475.	0	60,644.	15,768.	2,685.	190,572.	0
	(ii)	0	0	0	0	0	0	0
5		(i)						
	(ii)							
6		(i)						
	(ii)							
7		(i)						
	(ii)							
8		(i)						
	(ii)							
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 VII AND SCHEDULE J

IN ACCORDANCE WITH INTERNAL REVENUE SERVICE FORM 990 RULES, REGULATIONS AND INSTRUCTIONS, THE COMPENSATION REPORTED IN CORE FORM, PART VII AND SCHEDULE J, PART II OF THIS FORM 990 IS DERIVED FROM 2014 FORMS W-2 AND FORMS 1099 (IF APPLICABLE).

SCHEDULE J, PART I; QUESTION 3

EACH YEAR, TOWERS WATSON CONDUCTS A MARKET ANALYSIS OF CONNECTICUT CHILDREN'S MEDICAL CENTER'S ("CONNECTICUT CHILDREN'S") PRESIDENT/CHIEF EXECUTIVE OFFICER, OFFICERS AND OTHER KEY EMPLOYEES. TO AUGMENT THEIR PROPRIETARY DATA AND OTHER DATA TO WHICH THEY HAVE ACCESS, CONNECTICUT CHILDREN'S PROVIDES THE DATA RESULTS FROM SALARY SURVEYS IN WHICH CONNECTICUT CHILDREN'S PARTICIPATES. THE ANALYSIS AND PRESENTATION OF THE DATA IS PRESENTED BY THE TOWERS WATSON REPRESENTATIVE TO THE PRESIDENT/CHIEF EXECUTIVE OFFICER AND THE MEMBERS OF THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS. ANNUALLY THE PRESIDENT/CHIEF EXECUTIVE OFFICER AND THE BOARD OF DIRECTORS THEN REVIEW AND DISCUSS

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.

SALARY RECOMMENDATIONS FOR THE OFFICERS AND OTHER KEY EMPLOYEES AND SIGN OFF ON THE FINAL RECOMMENDATIONS. THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS MEETS INDEPENDENTLY WITH THE PRESIDENT/CHIEF EXECUTIVE OFFICER TO DISCUSS HIS INDIVIDUAL PERFORMANCE. FOLLOWING THE PERFORMANCE EVALUATION, A SALARY RECOMMENDATION IS MADE AND COMMUNICATED TO THE SENIOR VICE PRESIDENT/CHIEF HUMAN RESOURCES TO AUTHORIZE PROCESSING.

SCHEDULE J, PART I; QUESTION 4A

BARBARA E. BROWN RECEIVED A SEVERANCE PAYMENT IN THE AMOUNT OF \$38,774 DURING CALENDAR YEAR 2014 WHICH WAS INCLUDED IN HER 2014 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES.

SCHEDULE J, PART I; QUESTION 7 AND CORE FORM, PART VII

CERTAIN INDIVIDUALS INCLUDED IN SCHEDULE J, PART II RECEIVED A BONUS DURING CALENDAR YEAR 2014 WHICH AMOUNTS WERE INCLUDED IN COLUMN B(II) HEREIN AND IN EACH INDIVIDUAL'S 2014 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES. PLEASE REFER TO THIS SECTION OF THE FORM 990, SCHEDULE J FOR THIS

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.

INFORMATION BY PERSON BY AMOUNT.

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2014

**Open to Public
Inspection**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**

▶ **Attach to Form 990.**

▶ **Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.**

Department of the Treasury
Internal Revenue Service

Name of the organization
CONNECTICUT CHILDREN'S MEDICAL CENTER

Employer identification number
06-0646755

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A CT HEALTH & EDUCATIONAL FACILITIES AUTHORITY	06-0806186		06/30/2011	41,580,000.	REFI SER B&C BOND/LEASE FINANCINGS		X		X		X
B CT HEALTH & EDUCATIONAL FACILITIES AUTHORITY	06-0806186		10/12/2007	8,500,000.	LEASE FINANCE VARIOUS EQUIPMENT		X		X		X
C CT HEALTH & EDUCATIONAL FACILITIES AUTHORITY	06-0806186		09/28/2012	8,800,000.	ELECTRONIC MEDICAL RECORDS		X		X		X
D CT HEALTH & EDUCATIONAL FACILITIES AUTHORITY	06-0806186		10/18/2011	11,200,000.	ELECTRONIC MEDICAL RECORDS		X		X		X

Part II Proceeds

	A		B		C		D	
1 Amount of bonds retired	4,895,000.				3,582,427.		5,990,789.	
2 Amount of bonds legally defeased			8,500,000.					
3 Total proceeds of issue	41,580,000.		8,500,000.		8,800,000.		11,200,000.	
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows	10,255,050.							
7 Issuance costs from proceeds	689,909.		34,581.		31,338.		49,582.	
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds			8,465,419.		8,333,476.		11,150,418.	
11 Other spent proceeds	30,635,041.							
12 Other unspent proceeds					435,186.			
13 Year of substantial completion	2011		2010		2015		2014	
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X			X		X		X
15 Were the bonds issued as part of an advance refunding issue?	X			X		X		X
16 Has the final allocation of proceeds been made?	X		X			X	X	
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		X
2 Are there any lease arrangements that may result in private business use of bond-financed property?	X			X		X		X

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

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2014

**Open to Public
Inspection**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**

▶ **Attach to Form 990.**

▶ **Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.**

Department of the Treasury
Internal Revenue Service

Name of the organization
CONNECTICUT CHILDREN'S MEDICAL CENTER

Employer identification number
06-0646755

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A CT HEALTH & EDUCATIONAL FACILITIES AUTHORITY	06-0806186		04/04/2013	13,500,000.	CONSTRUCT & EQUIP ASC		X		X		X
B CT HEALTH & EDUCATIONAL FACILITIES AUTHORITY	06-0806186		09/11/2014	3,250,865.	FINANCING OF CAPITAL MEDICAL EQUIP		X		X		X
C											
D											

Part II Proceeds

	A		B		C		D	
1 Amount of bonds retired	4,617,934.		1,177,804.					
2 Amount of bonds legally defeased								
3 Total proceeds of issue	13,500,000.		3,250,865.					
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds	49,245.							
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds	13,450,755.		3,250,865.					
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion	2015		2014					
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X		X				
15 Were the bonds issued as part of an advance refunding issue?		X		X				
16 Has the final allocation of proceeds been made?		X	X					
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X				
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X		X				

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

Part III Private Business Use (Continued)

TAX-EXEMPT BOND LIABILITIES

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?	X			X	X		X	
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?	X				X		X	
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	1.5400 %							
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6 Total of lines 4 and 5	1.5400 %							
7 Does the bond issue meet the private security or payment test?	X		X		X		X	
8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X		X		X	

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X		X		X		X
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?								
b Exception to rebate?	X		X		X		X	
c No rebate due?								
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed.								
3 Is the bond issue a variable rate issue?	X			X		X		X
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X			X		X		X
b Name of provider	BANK OF AMERICA							
c Term of hedge	20.800							
d Was the hedge superintegrated?		X						
e Was the hedge terminated?		X						

Part III Private Business Use (Continued)

TAX-EXEMPT BOND LIABILITIES II

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

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X		X				
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?								
b Exception to rebate?	X		X					
c No rebate due?								
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed.								
3 Is the bond issue a variable rate issue?		X		X				
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X				
b Name of provider								
c Term of hedge.								
d Was the hedge superintegrated?								
e Was the hedge terminated?								

SCHEDULE L
(Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No. 1545-0047

2014

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

Open To Public Inspection

Name of the organization: **CONNECTICUT CHILDREN'S MEDICAL CENTER**
Employer identification number: **06-0646755**

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

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

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

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

Part III Grants or Assistance Benefiting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) THE CONNECTICUT LIGHT AND POWER COMPANY	DIRECTOR - SHIVERY	923,936.	UTILITIES		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

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

SCHEDULE L, PART IV

CHARLES W. SHIVERY; DIRECTOR OF THIS ORGANIZATION HAS AN OWNERSHIP INTEREST IN CONNECTICUT LIGHT AND POWER COMPANY, A SUBSIDIARY OF EVERSOURCE. THIS ORGANIZATION UTILIZED THE SERVICES OF THE CONNECTICUT LIGHT AND POWER COMPANY DURING ITS FISCAL YEAR ENDED SEPTEMBER 30, 2015. SERVICES WERE RENDERED AT FAIR MARKET VALUE RATES PURSUANT TO ARMS-LENGTH NEGOTIATIONS. PLEASE NOTE THAT THE CONNECTICUT LIGHT AND POWER COMPANY IS THE SOLE PROVIDER OF POWER IN THE AREA SURROUNDING THE MEDICAL CENTER.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2014

**Open to Public
Inspection**

Name of the organization

CONNECTICUT CHILDREN'S MEDICAL CENTER

Employer identification number

06-0646755

CORE FORM, PART I, LINE 13

CERTAIN RECLASSIFICATIONS HAVE BEEN MADE TO THE PRIOR YEAR BALANCES
PREVIOUSLY REPORTED TO CONFORM TO THE CURRENT YEAR PRESENTATION. THIS
RESTATEMENT HAD NO EFFECT ON THE ORGANIZATION'S NET ASSETS.

CORE FORM, PART III; STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

BACKGROUND

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CONNECTICUT CHILDREN'S MEDICAL CENTER ("CONNECTICUT CHILDREN'S") IS
RECOGNIZED BY THE INTERNAL REVENUE SERVICE ("IRS") AS AN INTERNAL REVENUE
CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION. PURSUANT TO ITS
CHARITABLE PURPOSES CONNECTICUT CHILDREN'S PROVIDES MEDICALLY NECESSARY
HEALTHCARE SERVICES TO ALL CHILDREN IN A NON-DISCRIMINATORY MANNER
REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN OR ABILITY TO PAY.
MOREOVER, CONNECTICUT CHILDREN'S OPERATES CONSISTENTLY WITH THE FOLLOWING
CRITERIA OUTLINED IN IRS REVENUE RULING 69-545:

1. CONNECTICUT CHILDREN'S PROVIDES MEDICALLY NECESSARY HEALTHCARE
SERVICES TO ALL CHILDREN REGARDLESS OF ABILITY TO PAY, INCLUDING CHARITY
CARE, SELF-PAY, MEDICARE AND MEDICAID PATIENTS;

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2. CONNECTICUT CHILDREN'S OPERATES AN ACTIVE EMERGENCY ROOM FOR ALL CHILDREN WHICH IS OPEN 24 HOURS A DAY, 7 DAYS A WEEK, 365 DAYS PER YEAR;

3. CONNECTICUT CHILDREN'S MAINTAINS AN OPEN MEDICAL STAFF, WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS;

4. CONTROL OF CONNECTICUT CHILDREN'S RESTS WITH ITS BOARD OF DIRECTORS. ITS BOARD IS COMPRISED OF INDEPENDENT CIVIC LEADERS AND OTHER PROMINENT MEMBERS OF THE COMMUNITY; AND

5. SURPLUS FUNDS ARE USED TO IMPROVE THE QUALITY OF PATIENT CARE, EXPAND AND RENOVATE FACILITIES AND ADVANCE MEDICAL CARE, PROGRAMS AND ACTIVITIES.

THE OPERATIONS OF CONNECTICUT CHILDREN'S, AS SHOWN THROUGH THE FACTORS OUTLINED ABOVE AND OTHER INFORMATION CONTAINED HEREIN, CLEARLY DEMONSTRATE THE HOSPITAL PROVIDES SUBSTANTIAL COMMUNITY BENEFIT AND THAT THE USE AND CONTROL OF CONNECTICUT CHILDREN'S IS FOR THE BENEFIT OF THE PUBLIC, AND THAT NO PART OF THE INCOME OR NET EARNINGS OF THE ORGANIZATION INURES TO THE BENEFIT OF ANY PRIVATE INDIVIDUAL, NOR IS ANY PRIVATE INTEREST BEING SERVED OTHER THAN INCIDENTALLY.

HISTORY

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CONNECTICUT CHILDREN'S MEDICAL CENTER

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CONNECTICUT CHILDREN'S IS A NATIONALLY RECOGNIZED, 187-BED NOT-FOR-PROFIT CHILDREN'S HOSPITAL SERVING AS THE PRIMARY TEACHING HOSPITAL FOR THE UNIVERSITY OF CONNECTICUT SCHOOL OF MEDICINE DEPARTMENT OF PEDIATRICS. CONNECTICUT CHILDREN'S IS CONSISTENTLY NAMED AMONG THE BEST IN THE NATION FOR SEVERAL OF ITS PEDIATRIC SPECIALTIES IN THE ANNUAL U.S. NEWS & WORLD REPORT "BEST CHILDREN'S HOSPITALS" RANKINGS.

THE HISTORY OF CONNECTICUT CHILDREN'S SPANS MORE THAN 100 YEARS. FOUNDED AS A 10-BED HOSPITAL FOR CHILDREN WHO SUFFERED THEN INCURABLE CONDITIONS SUCH AS CEREBRAL PALSY, SPINA BIFIDA AND POLIO, CONNECTICUT CHILDREN'S IS NOW ONE OF ONLY TWO FREESTANDING CHILDREN'S HOSPITALS IN NEW ENGLAND AND THE ONLY FREESTANDING CHILDREN'S HOSPITAL IN CONNECTICUT THAT OFFERS COMPREHENSIVE, WORLD-CLASS HEALTHCARE TO CHILDREN AND ADOLESCENTS IN A PATIENT- AND FAMILY-CENTERED ENVIRONMENT WITH A FOCUS ON RESEARCH, EDUCATION AND ADVOCACY.

CONNECTICUT CHILDREN'S HAS APPROXIMATELY 2,300 EMPLOYEES WITH A MEDICAL STAFF OF NEARLY 1,100, PRACTICING IN MORE THAN 30 SPECIALTIES.

CONNECTICUT CHILDREN'S IS A TERTIARY REFERRAL CENTER AND PROVIDES OUTSTANDING CARE TO CHILDREN OF ALL AGES AFFECTED BY A WIDE RANGE OF CONDITIONS. CONNECTICUT CHILDREN'S PROVIDES A COMPREHENSIVE ARRAY OF PEDIATRIC SERVICES IN LOCATIONS ACROSS CONNECTICUT AND IN MASSACHUSETTS, INCLUDING ITS HOSPITALS IN HARTFORD AND WATERBURY, NEONATAL INTENSIVE CARE UNITS IN HARTFORD AND FARMINGTON, FIVE SPECIALTY CARE CENTERS IN DANBURY, HARTFORD, FARMINGTON, GLASTONBURY AND SHELTON, AND SEVERAL

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CONNECTICUT CHILDREN'S MEDICAL CENTER

PRACTICES CONVENIENTLY LOCATED THROUGHOUT THE STATE. ITS LEVEL 1 PEDIATRIC TRAUMA CENTER AND PRIMARY CARE CENTER ARE THE BUSIEST BETWEEN BOSTON AND NEW YORK.

MISSION

=====

CONNECTICUT CHILDREN'S IS DEDICATED TO IMPROVING THE PHYSICAL AND EMOTIONAL HEALTH OF CHILDREN THROUGH FAMILY-CENTERED CARE, RESEARCH, EDUCATION AND ADVOCACY. CONNECTICUT CHILDREN'S EMBRACES DISCOVERY, TEAMWORK, INTEGRITY AND EXCELLENCE IN ALL THAT IT DOES.

PROGRAMS OF EXCELLENCE

=====

CONNECTICUT CHILDREN'S OFFERS THE HIGHEST LEVEL OF CARE TO CHILDREN AND HAS BEEN CONSISTENTLY RECOGNIZED BY U.S. NEWS & WORLD REPORT IN ITS ANNUAL "BEST CHILDREN'S HOSPITALS" RANKINGS. FOR 2013-14, SIX OF ITS SPECIALTIES WERE RANKED AMONG THE BEST IN THE NATION: DIABETES & ENDOCRINOLOGY (#35), GASTROENTEROLOGY & GI SURGERY (#49), NEONATOLOGY (#43), ORTHOPEDICS (#41), PULMONOLOGY (#39), AND UROLOGY (#25). THE RANKINGS ARE BASED ON THREE MAJOR COMPONENTS, EACH OF WHICH COUNTS AS ONE-THIRD OF A HOSPITAL'S SCORE.

OUTCOMES

Name of the organization CONNECTICUT CHILDREN'S MEDICAL CENTER	Employer identification number
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NOTHING MATTERS MORE THAN THE OUTCOME. CONNECTICUT CHILDREN'S KEEPS KIDS HEALTHY, PROTECTS THEM FROM SURGICAL COMPLICATIONS AND IMPROVES THE QUALITY OF LIFE OF THOSE WITH CHRONIC CONDITIONS.

PROCESS OF CARE

SEVERAL ELEMENTS ARE CONSIDERED, INCLUDING HOSPITAL COMPLIANCE WITH BEST PRACTICES AND A COMMITMENT TO INFECTION CONTROL.

MIX OF CARE-RELATED INDICATORS

CONDITION-SPECIFIC PROGRAMS, SURGICAL VOLUME AND NURSE/PATIENT RATIO ARE JUST A FEW EXAMPLES OF AN ASSORTED 38 MEASURES AND SUB-MEASURES USED IN THE SPECIALTY RANKINGS.

IN ADDITION TO CONNECTICUT CHILDREN'S NATIONALLY RANKED SPECIALTIES, THERE ARE SEVERAL PROGRAMS OF EXCELLENCE AT THE MEDICAL CENTER THAT HAVE TIME AND AGAIN EARNED NATIONAL AND INTERNATIONAL HONORS AND ACCOLADES INCLUDING, BUT NOT LIMITED TO:

- DIABETES & ENDOCRINOLOGY;

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- GASTROENTEROLOGY;
- NEONATOLOGY;
- ORTHOPAEDICS;
- RECONSTRUCTIVE AND SOLID TUMOR SURGERY;
- SURGERY; AND
- UROLOGY.

EACH OF OUR PROGRAMS OF EXCELLENCE OFFERS SUPERIOR PEDIATRIC CLINICAL CARE AND HAS DEMONSTRATED THE ABILITY TO:

- 1) EXPAND ACCESS TO SERVICES TO MEET THE GROWING NEEDS OF CHILDREN AND FAMILIES;
- 2) INTEGRATE VARIOUS DISCIPLINES OF CLINICAL PRACTICE TO PROVIDE EXPANDED, ADVANCED CARE;
- 3) DEVELOP OPPORTUNITIES TO EXPAND BASIC AND CLINICAL RESEARCH; AND
- 4) CREATE OPPORTUNITIES TO BE AN INNOVATIVE LEADER IN EDUCATION AND TRAINING.

RESEARCH

=====

CONNECTICUT CHILDREN'S IS COMMITTED TO MAKING CHILDREN AND FAMILIES HEALTHIER. OUR TALENTED MEDICAL PROFESSIONALS ARE AT THE FOREFRONT OF RESEARCH AND CLINICAL TRIALS. SUCH SCIENTIFIC INQUIRIES CHANGE THE FUTURE OF CHILDREN'S HEALTHCARE. FROM FUNDAMENTAL MOLECULAR SCIENCE THAT HELPS

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US UNDERSTAND DISEASES AT THE MOST BASIC LEVEL, TO MOTION STUDIES DESIGNED TO DISCOVER NEW WAYS FOR YOUNG ATHLETES TO AVOID INJURIES AND CLINICAL TRIALS THAT ESTABLISH THE MOST EFFECTIVE AND EFFICIENT PROTOCOLS FOR TREATING CHILDREN, CONNECTICUT CHILDREN'S IS A RESEARCH LEADER. FOR EXAMPLE, CONNECTICUT CHILDREN'S DIVISION OF HEMATOLOGY & ONCOLOGY IS ENGAGED IN CONDUCTING MORE THAN 100 ACTIVE CLINICAL TRIALS AND RESEARCH STUDIES THROUGH THE CHILDREN'S ONCOLOGY GROUP, THE NEUROBLASTOMA AND MEDULLOBLASTOMA TREATMENT RESEARCH CONSORTIUM, THE PEDIATRIC CANCER FOUNDATION'S SUNSHINE PROJECT, THE SUNCOAST COMMUNITY CLINICAL ONCOLOGY PROGRAM AND PHARMACEUTIC COMPANY SPONSORS. THIS NUMBER OF OPEN PROTOCOLS DISTINGUISHES CONNECTICUT CHILDREN'S HEMATOLOGY & ONCOLOGY DIVISION AMONG THE TOP 20 PERCENT AMONG ITS PEERS. ADDITIONALLY, THE DIVISION IS IN THE TOP THIRD PERCENTILE FOR TOTAL PEDIATRIC CANCER PATIENTS ENROLLED IN TRIALS. THIS IS ESPECIALLY IMPRESSIVE GIVEN THAT CONNECTICUT CHILDREN'S IS CONSIDERED ONE OF THE SMALLER FREE-STANDING CHILDREN'S HOSPITALS IN THE COUNTRY.

AWARDS AND RECOGNITION

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- CONNECTICUT CHILDREN'S EARNED THE "GET WITH THE GUIDELINES - RESUSCITATION SILVER AWARD";
- THE AMERICAN HEART ASSOCIATION AND AMERICAN STROKE ASSOCIATION RECOGNIZED CONNECTICUT CHILDREN'S FOR ACHIEVING 85% OR HIGHER COMPLIANCE WITH ALL "GET WITH THE GUIDELINES - RESUSCITATION ACHIEVEMENT MEASURES"

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CONNECTICUT CHILDREN'S MEDICAL CENTER

FOR ONE CALENDAR YEAR TO IMPROVE QUALITY OF PATIENT CARE AND OUTCOMES;

- CONNECTICUT CHILDREN'S RANKED IN U.S. NEWS & WORLD REPORT'S 2014-15 BEST CHILDREN'S HOSPITALS;

- FOR THE SEVENTH CONSECUTIVE YEAR, U.S. NEWS & WORLD REPORT HAS RANKED CONNECTICUT CHILDREN'S MEDICAL CENTER AS A TOP HOSPITAL IN THE NEW 2014-15 BEST CHILDREN'S HOSPITALS RANKINGS. CONNECTICUT CHILDREN'S RANKED #44 IN UROLOGY. THE BEST CHILDREN'S HOSPITALS RANKINGS HIGHLIGHT U.S. NEWS' TOP 50 U.S. PEDIATRIC FACILITIES IN A RANGE OF SPECIALTIES;

- CONNECTICUT CHILDREN'S RECOGNIZED AS TOP WORKPLACE;
- THE HARTFORD COURANT AND FOX CT HAS NAMED CONNECTICUT CHILDREN'S MEDICAL CENTER A TOP WORKPLACE IN CONNECTICUT FOR THE THIRD TIME.

CONNECTICUT CHILDREN'S WAS ONE OF ONLY 60 STATEWIDE BUSINESSES TO BE RECOGNIZED AS A TOP WORKPLACE AND RANKED AS THE 10TH BEST PLACE TO WORK IN THE LARGE ORGANIZATION CATEGORY. THIS RECOGNITION IS BASED ON FEEDBACK PROVIDED BY A RANDOM SELECTION OF 500 CONNECTICUT CHILDREN'S EMPLOYEES WHO RECEIVED A SURVEY AND SHARED THEIR THOUGHTS ON A VARIETY OF TOPICS.

OFFICE OF COMMUNITY CHILD HEALTH ("OCCH")

=====

MISSION: INNOVATING PROGRAMS THAT PROMOTE HEALTHY CHILD DEVELOPMENT

THE OCCH WAS LAUNCHED IN 2012 AND BRINGS TOGETHER INTERNAL, LOCAL, STATE AND NATIONAL STAKEHOLDERS TO ENSURE THAT CHILDREN IN ALL COMMUNITIES

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CONNECTICUT CHILDREN'S MEDICAL CENTER

RECEIVE THE BEST CARE POSSIBLE.

CORE FORM, PART III; STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

WHAT WE DO

THROUGH THE WORK OF THE OCCH, CONNECTICUT CHILDREN'S ENSURES THAT CHILDREN AND THEIR FAMILIES HAVE ACCESS TO A COMPREHENSIVE SYSTEM OF WELLNESS PROGRAMS AND HEALTH SERVICES IN THEIR COMMUNITIES. BY ADOPTING A UNIQUELY FAMILY-AND COMMUNITY-ORIENTED APPROACH, THE OFFICE IS ESTABLISHING ITSELF AS A ROLE MODEL FOR CHILDREN'S HOSPITALS AROUND THE NATION AND WORKS TO EXTEND ITS SERVICES BEYOND TRADITIONAL MEDICAL CARE.

OUR MODEL

CONNECTICUT CHILDREN'S OFFICE FOR COMMUNITY CHILD HEALTH MANAGES 13 COMMUNITY-ORIENTED PROGRAMS AND SERVICES THAT PREVENTS ILLNESS, INJURY AND OTHER HARM. IN ADDITION TO SERVING AS A COORDINATING ENTITY FOR EXISTING COMMUNITY-ORIENTED INITIATIVES, CONNECTICUT CHILDREN'S OCCH SERVES AS AN INCUBATOR FOR NEW AND INNOVATIVE PROGRAMS PROMOTING HEALTHY CHILD DEVELOPMENT.

OUR IMPACT, AT A GLANCE

Name of the organization

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THE OCCH HAS ESTABLISHED ITSELF AS A CRITICAL RESOURCE IN THE LOCAL COMMUNITY AND ACROSS THE NATION AND IS:

- LEADING EFFORTS TO DEVELOP A BLUEPRINT FOR WOMEN'S AND CHILDREN'S HEALTH FOR THE CITY OF HARTFORD;
- PARTNERING WITH THE NEW CONNECTICUT OFFICE FOR EARLY CHILDHOOD TO LEAD THE DEVELOPMENT OF A COMPREHENSIVE, STATEWIDE EARLY CHILDHOOD SYSTEM;
- AND
- ENGAGED IN ONGOING DIALOGUE ON KEY PUBLIC POLICY CONCEPTS NECESSARY FOR SYSTEM-BUILDING WITH A WIDE ARRAY OF FEDERAL AGENCIES, INCLUDING THE MATERNAL AND CHILD HEALTH BUREAU, THE ADMINISTRATION FOR CHILDREN AND FAMILIES AND THE SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.

OCCH PROGRAMS

CONNECTICUT CHILDREN'S OCCH OPERATES A TOTAL OF 13 PROGRAMS INCLUDING, BUT NOT LIMITED TO:

- (1) DIRECT SERVICES
- (2) CONNECTICUT CHILDREN'S HEALTHY HOMES PROGRAM

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THE CONNECTICUT CHILDREN'S HEALTHY HOMES PROGRAM IMPROVES CHILDREN'S HEALTH BY MAKING THEIR HOMES HEALTHIER, SAFER AND MORE ENERGY EFFICIENT. THE PROGRAM ADDRESSES CRITICAL HOUSING HAZARDS, SUCH AS LEAD AND OTHER HARMFUL EXPOSURES AND ASTHMA TRIGGERS.

(3) HARTFORD CHILDHOOD WELLNESS ALLIANCE / GROWING UP HEALTHY

THE HARTFORD CHILDHOOD WELLNESS ALLIANCE IS A COLLABORATION AMONG COMMUNITY ORGANIZATIONS, HEALTHCARE PROVIDERS, SCHOOLS, EARLY CHILDHOOD EDUCATION AND DAYCARE CENTERS, AS WELL AS LOCAL AND REGIONAL GOVERNMENT, LED BY CONNECTICUT CHILDREN'S. THE MISSION OF THE ALLIANCE IS TO REDUCE OBESITY AND INCREASE COMMUNITY-WIDE OPPORTUNITIES TO IMPROVE NUTRITION, ACTIVITY AND LIFESTYLE AMONG CHILDREN IN HARTFORD. THROUGH THE ALLIANCE, CONNECTICUT CHILDREN'S MANAGES GROWING UP HEALTHY, A PROGRAM THAT HELPS DEFINE THE ROLE PRIMARY CARE PROVIDERS PLAY IN PREVENTING CHILDHOOD OBESITY AND MODELS THE POSITIVE EFFECTS OF CLINICAL INTERVENTION.

(4) HARTFORD YOUTH HIV OUTREACH PROGRAM

AS A NETWORK OF MEDICAL AND MENTAL HEALTH PROVIDERS, YOUTH REPRESENTATIVES AND OTHERS, THE HARTFORD YOUTH HIV IDENTIFICATION AND LINKAGE CONSORTIUM WORKS TO PREVENT THE SPREAD OF HIV AND SEXUALLY TRANSMITTED DISEASES ("STDS") IN ADOLESCENTS THROUGH OUTREACH, COUNSELING AND TESTING FOR AT-RISK YOUTH. HYHIL ALSO OFFERS PREVENTIVE EDUCATION AND CONNECTS HIV-POSITIVE YOUTH TO HEALTH CARE RESOURCES.

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IN FY 14, 40,000 STUDENTS AND YOUNG ADULTS RECEIVED PREVENTATIVE HIV/STD AND OTHER RISK REDUCTION EDUCATION THROUGH THE COLLABORATIVE EFFORTS AMONG COMMUNITY-BASED AGENCIES, MEDICAL PROVIDERS AND BOTH LOCAL AND STATE HEALTH DEPARTMENTS.

(5) INJURY PREVENTION CENTER

THE INJURY PREVENTION CENTER WORKS TO PREVENT NEEDLESS TRAGEDIES AMONG CONNECTICUT'S CHILDREN AND YOUTH. IPC'S SAFE KIDS CONNECTICUT PROGRAM PROVIDES EDUCATION, SAFE TEEN DRIVING CAMPAIGNS AND ADVOCATES FOR EFFECTIVE LAWS FOR TEEN DRIVERS. THE INJURY FREE COALITION FOR KIDS OF HARTFORD LEADS THE COMMUNITY-BASED VIOLENCE PREVENTION WORK.

(6) SPECIAL KIDS SUPPORT CENTER

THE SPECIAL KIDS SUPPORT CENTER SPECIALISTS STRIVE TO FACILITATE COMPREHENSIVE CARE TO MEET THE MEDICAL AND SOCIAL NEEDS OF CHILDREN WITH SPECIAL NEEDS AND THEIR FAMILIES. ITS SPECIALISTS HELP FAMILIES MAXIMIZE CARE BENEFITS AND WILL ADVOCATE ON BEHALF OF THE FAMILY FOR ACCESS TO HEALTH CARE, PUBLIC EDUCATION AND OTHER COMMUNITY SERVICES. THE SPECIAL KIDS SUPPORT CENTER ALSO TRAINS AND PROVIDES TECHNICAL SUPPORT TO COMMUNITY-BASED PRIMARY CARE PARTNERS, SO THOSE PRACTICES CAN BECOME MEDICAL HOMES FOR ALL CHILDREN.

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CONNECTICUT CHILDREN'S MEDICAL CENTER

SPECIAL KIDS SUPPORT CENTER CONTINUES TO PROVIDE CARE COORDINATION SERVICES TO CHILDREN AND YOUTH WITH SPECIAL HEALTH CARE NEEDS AND CHILDREN WHO ARE VULNERABLE AND AT RISK FOR POOR OUTCOMES. AT THE END OF ITS FIVE-YEAR MEDICAL HOME INITIATIVE GRANT (6/14) THROUGH THE CONNECTICUT DEPARTMENT OF PUBLIC HEALTH, SPECIAL KIDS SCREENED 9,631 CHILDREN AND YOUTH AND PROVIDED SERVICES TO 5,514 CHILDREN/YOUTH AND THEIR FAMILIES LIVING IN THE NORTH CENTRAL REGION OF THE STATE.

WE SERVE AS A MODEL FOR THE CHILDREN'S HOSPITAL ASSOCIATION'S NEW INITIATIVE, CREATING HEALTH, A TRUE POPULATION HEALTH APPROACH FOCUSING ON VULNERABLE CHILDREN AT RISK FOR POOR OUTCOMES ACROSS THE NATION.

THE HELP ME GROW NATIONAL CENTER CURRENTLY PROVIDES TECHNICAL ASSISTANCE TO MORE THAN 20 STATES SEEKING TO REPLICATE A CONNECTICUT PROGRAM THAT SUPPORTS FAMILIES WITH CHILDREN AT RISK FOR DEVELOPMENTAL OR BEHAVIORAL PROBLEMS.

EDUCATION/RESEARCH

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CO-MANAGEMENT

AN INNOVATIVE CARE MODEL THAT INCREASES PATIENT ACCESS TO SUBSPECIALTY SERVICES - EMPOWERS PRIMARY CARE PROVIDERS TO IMPROVE THE BREADTH AND

Name of the organization CONNECTICUT CHILDREN'S MEDICAL CENTER	Employer identification number
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QUALITY OF THE CARE THEY DELIVER. AS A PARTNERSHIP BETWEEN COMMUNITY PHYSICIANS AND HOSPITAL SUBSPECIALISTS, CO-MANAGEMENT ALLOWS CHILDREN TO RECEIVE SOME OF THEIR SUBSPECIALTY CARE WITHIN THEIR MEDICAL HOME AND ENSURES THAT THEY RECEIVE TIMELY ACCESS TO SUBSPECIALTY CARE WHEN NEEDED.

THIS YEAR, THE CO-MANAGEMENT TEAM PUBLISHED A CONCEPT PAPER DESCRIBING ONE OF OUR COLLABORATIVE CARE MODELS IN A NEWER JOURNAL FOCUSED ON INNOVATION: HEALTHCARE: THE JOURNAL OF DELIVERY SCIENCE AND INNOVATION. THE ARTICLE WAS ENTITLED "IMPLEMENTATION OF REFERRAL GUIDELINES AT THE INTERFACE BETWEEN PEDIATRIC PRIMARY AND SUBSPECIALTY CARE." THIS PUBLICATION WILL ALLOW US TO INFORM A WIDER AUDIENCE OF THE CORE COMPONENTS AND STRUCTURAL REQUIREMENTS OF THIS SYSTEMS INNOVATION.

EDUCATING PRACTICES IN THE COMMUNITY ("EPIC")

THE CHILD HEALTH AND DEVELOPMENT INSTITUTE'S EPIC PROGRAM USES "ACADEMIC DETAILING" TO HELP COMMUNITY PRIMARY CARE PROVIDERS IMPROVE THE CARE THEY PROVIDE TO CHILDREN. EPIC USES SIMPLE MESSAGES AIMED AT CHANGING BEHAVIOR.

TOPICS RANGE FROM DEVELOPMENTAL SURVEILLANCE AND SCREENING TO TEEN DRIVER SAFETY.

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218 OUT OF 232 PRACTICES VISITED BY THE EPIC TEAM IN FY 14 REPORTED THEY ARE GOING TO CHANGE THEIR PRACTICE TO INCORPORATE CHANGES PRESENTED IN EPIC PRESENTATIONS.

EASY BREATHING

EASY BREATHING, A COMMUNITY-BASED ASTHMA MANAGEMENT PROGRAM, ENSURES CHILDREN, FAMILIES AND PHYSICIANS WORK TOGETHER TO MANAGE ASTHMA SYMPTOMS USING NATIONAL ASTHMA GUIDELINES. SINCE ITS INTRODUCTION IN 1998, THE PROGRAM HAS SEEN WIDESPREAD USE ACROSS CONNECTICUT AND HAS BEEN REPLICATED IN NINE STATES.

MAINTENANCE OF CERTIFICATION ("MOC")

THE MOC PROGRAM HELPS PRIMARY CARE PROVIDERS USE A DATA-DRIVEN, QUALITY IMPROVEMENT APPROACH TO IMPROVE THE SERVICES THEY PROVIDE TO CHILDREN. MOC ACTIVITIES HELP PRACTICES IMPROVE SURVEILLANCE AND SCREENING FOR DEVELOPMENTAL RISKS, SCREENING FOR BEHAVIORAL CONCERNS, AND CONNECTION OF CHILDREN AND FAMILIES TO HELPFUL SERVICES. THIS PROGRAM IS MADE POSSIBLE THROUGH THE GENEROSITY OF UNITEDHEALTHCARE.

FOR FY 14, 66 PHYSICIANS RECEIVED MOC CREDIT BY PARTICIPATING IN ONE OF CONNECTICUT CHILDREN'S MOC PROJECTS. CUMULATIVELY (SINCE THE FIRST MOC

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PROJECT WAS OFFERED AT CONNECTICUT CHILDREN'S), 121 (13 INTERNAL, 108 EXTERNAL) PHYSICIANS HAVE PARTICIPATED AND 90 (11 INTERNAL, 79 EXTERNAL) HAVE OBTAINED CREDIT.

RESIDENT EDUCATION IN ADVOCACY AND COMMUNITY HEALTH ("REACH")

FOSTERING THE GROWTH OF FUTURE GENERATIONS OF COMMUNITY CHILD HEALTH ADVOCATES, THE REACH PROGRAM NURTURES PEDIATRIC RESIDENTS TO BECOME OUR FUTURE LEADERS BY PROVIDING THEM WITH OPPORTUNITIES TO WORK IN COMMUNITY-BASED PROGRAMS AND SERVICES.

DURING FY2014, REACH PATHWAY RESIDENTS CORINNE ALHAUSER AND KELLI COLLINS WON AN AAP CATCH RESIDENCY GRANT TO SUPPORT THEIR PROJECT, HEALTHY HABITS FOR HEALTHY HARTFORD CHILDREN. THEY WORKED IN COLLABORATION WITH THE WOMEN'S LEAGUE CHILD DEVELOPMENT CENTER TO PROVIDE EDUCATIONAL SESSIONS ON: HEALTHY TODDLER DRINKS, THE APPROACH TO THE PICKY EATER, HEALTHY MEALS ON A BUDGET AND TODDLERS ON THE MOVE (EXERCISE), TO PARTICIPATING PARENTS AND SEVERAL STAFF MEMBERS. IN ADDITION, THEY PROVIDED PARTICIPANTS WITH TOOLS FOR HEALTHY EATING, EXERCISE AND GARDENING. THEY PRESENTED THEIR PROJECT LOCALLY, TO RESIDENTS AND FACULTY AND WERE INVITED TO PRESENT THEIR POSTER AT THE ANNUAL AAP NCE IN OCTOBER 2014.

CORE FORM, PART III; STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

DISSEMINATION OF INNOVATION

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CARE COORDINATION COLLABORATIVE

THE CARE COORDINATION COLLABORATIVE, WHOSE MEMBERSHIP INCLUDES CARE COORDINATORS FROM A VARIETY OF CHILD-SERVING SECTORS IN THE GREATER HARTFORD REGION, IMPROVES COMMUNICATION AMONG COORDINATORS AND PROVIDES EFFECTIVE LINKS TO SERVICES FOR CHILDREN AND FAMILIES. WITH MEMBERS INCLUDING THE UNITED WAY, CT FAMILY SUPPORT NETWORK, MEDICAID AND MENTAL HEALTH PROVIDERS, OCCH LEADS THIS SHARED RESOURCE WITH SUPPORT FROM CONNECTICUT CHILDREN'S SPECIAL KIDS SUPPORT CENTER. THE SUCCESS OF THE COLLABORATIVE IN THE HARTFORD REGION IS NOW SUPPORTING ITS REPLICATION ACROSS THE STATE.

HELP ME GROW NATIONAL CENTER

HELP ME GROW HELPS FAMILIES WITH CHILDREN AT RISK FOR DEVELOPMENTAL OR BEHAVIORAL PROBLEMS FIND LOCAL SUPPORT AND SERVICES THROUGH A CENTRAL CALL CENTER. SUPPORTED BY THE NATIONAL CENTER BASED AT CONNECTICUT CHILDREN'S, MORE THAN 20 STATES ARE REPLICATING HELP ME GROW.

MID-LEVEL DEVELOPMENTAL ASSESSMENT

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THROUGH MID-LEVEL DEVELOPMENTAL ASSESSMENT, CHILDREN WITH BEHAVIORAL OR DEVELOPMENTAL CONCERNS IDENTIFIED THROUGH SURVEILLANCE AND SCREENING CAN BE EVALUATED MORE QUICKLY AND LESS EXPENSIVELY. CONNECTICUT CHILDREN'S COLLABORATES WITH THE VILLAGE FOR FAMILIES AND CHILDREN, INC. AND THE UNITED WAY OF CONNECTICUT TO PROVIDE THESE SERVICES AND TO OFFER TECHNICAL ASSISTANCE TO OTHER BEHAVIORAL HEALTH PROVIDERS TO MAKE THE SERVICE AVAILABLE STATEWIDE.

CORE FORM, PART VI, SECTION A, QUESTION 2

WILLIAM C. POPIK, M.D. & DAVID M. ROTH, ESQ. - BUSINESS RELATIONSHIP.

CORE FORM, PART VI, SECTION A; QUESTIONS 6 & 7

CCMC CORPORATION IS THE SOLE MEMBER OF THIS ORGANIZATION. CCMC CORPORATION HAS THE RIGHT TO ELECT THE MEMBERS OF THIS ORGANIZATION'S BOARD OF DIRECTORS AND HAS CERTAIN RESERVED POWERS AS DEFINED IN THIS ORGANIZATION'S BYLAWS.

CORE FORM, PART VI, SECTION B; QUESTION 11B

THE ORGANIZATION IS AN AFFILIATE WITHIN CCMC CORPORATION AND SUBSIDIARIES; A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM ("SYSTEM"). THE ORGANIZATION'S FEDERAL FORM 990 WAS PROVIDED TO EACH VOTING MEMBER OF ITS GOVERNING BODY (ITS BOARD OF DIRECTORS) PRIOR TO

Name of the organization CONNECTICUT CHILDREN'S MEDICAL CENTER	Employer identification number
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FILING WITH THE INTERNAL REVENUE SERVICE ("IRS"). THE ORGANIZATION'S FINANCE AND AUDIT COMMITTEE ASSUMED THE RESPONSIBILITY TO OVERSEE AND COORDINATE THE FEDERAL FORM 990 PREPARATION, REVIEW AND FILING PROCESS.

AS PART OF THE ORGANIZATION'S FEDERAL FORM 990 TAX RETURN PREPARATION PROCESS THE ORGANIZATION HIRED A PROFESSIONAL CPA FIRM WITH EXPERIENCE AND EXPERTISE IN BOTH HEALTHCARE AND NOT-FOR-PROFIT TAX RETURN PREPARATION TO PREPARE THE FEDERAL FORM 990. THE CPA FIRM'S TAX PROFESSIONALS WORKED CLOSELY WITH THE SYSTEM'S FINANCE PERSONNEL INCLUDING THE SENIOR VICE PRESIDENT/CHIEF FINANCIAL OFFICER, CORPORATE CONTROLLER, ACCOUNTING MANAGER AND VARIOUS OTHER INDIVIDUALS ("INTERNAL WORKING GROUP") TO OBTAIN THE INFORMATION NEEDED IN ORDER TO PREPARE A COMPLETE AND ACCURATE TAX RETURN.

THE CPA FIRM PREPARED A DRAFT FEDERAL FORM 990 AND FURNISHED IT TO THE SYSTEM'S INTERNAL WORKING GROUP, INCLUDING THOSE INDIVIDUALS OUTLINED ABOVE FOR THEIR REVIEW. THE SYSTEM'S INTERNAL WORKING GROUP REVIEWED THE DRAFT FEDERAL FORM 990 AND DISCUSSED QUESTIONS AND COMMENTS WITH THE CPA FIRM. REVISIONS WERE MADE TO THE DRAFT FEDERAL FORM 990 WHERE NECESSARY AND A FINAL DRAFT WAS FURNISHED BY THE CPA FIRM TO THE SYSTEM'S INTERNAL WORKING GROUP FOR FINAL REVIEW AND APPROVAL. THE FORM 990 WAS THEN PROVIDED TO THE ORGANIZATION'S FINANCE AND AUDIT COMMITTEE AND SUBSEQUENTLY TO EACH VOTING MEMBER OF ITS GOVERNING BODY PRIOR TO FILING WITH THE IRS.

CORE FORM, PART VI, SECTION B; QUESTION 12

Name of the organization

CONNECTICUT CHILDREN'S MEDICAL CENTER

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THE ORGANIZATION IS AN AFFILIATE WITHIN CCMC CORPORATION AND SUBSIDIARIES; A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM. THE SYSTEM REGULARLY MONITORS AND ENFORCES COMPLIANCE WITH ITS CONFLICT OF INTEREST POLICY. ANNUALLY ALL MEMBERS OF THE BOARD OF DIRECTORS, OFFICERS AND SENIOR MANAGEMENT PERSONNEL ARE REQUIRED TO REVIEW THE EXISTING CONFLICT OF INTEREST POLICY AND COMPLETE A QUESTIONNAIRE. THE COMPLETED QUESTIONNAIRES ARE RETURNED TO THE ORGANIZATION AND SYSTEM'S GENERAL COUNSEL FOR REVIEW. GENERAL COUNSEL THEN PREPARES A SUMMARY OF THE COMPLETED QUESTIONNAIRES WHICH CONTAINS INFORMATION DISCLOSED ON AN INDIVIDUAL BY INDIVIDUAL BASIS. THEREAFTER, GENERAL COUNSEL PRESENTS THIS SUMMARY TO THE ORGANIZATION'S BOARD OF DIRECTORS FOR ITS REVIEW AND DISCUSSION.

CORE FORM, PART VI, SECTION B; QUESTION 15

THE ORGANIZATION IS AN AFFILIATE WITHIN CCMC CORPORATION AND SUBSIDIARIES; A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM. THE ORGANIZATION'S BOARD OF DIRECTORS HAS AN EXECUTIVE COMPENSATION COMMITTEE ("COMMITTEE"). THE COMMITTEE HAS ADOPTED A WRITTEN EXECUTIVE COMPENSATION PHILOSOPHY WHICH IT FOLLOWS WHEN IT REVIEWS AND APPROVES OF THE COMPENSATION AND BENEFITS OF CONNECTICUT CHILDREN'S SENIOR MANAGEMENT, INCLUDING, BUT NOT LIMITED TO, THE PRESIDENT/CHIEF EXECUTIVE OFFICER, SENIOR VICE PRESIDENT/CHIEF FINANCIAL OFFICER AND EXECUTIVE VICE PRESIDENT/CHIEF OPERATING OFFICER. THE COMMITTEE REVIEWS THE "TOTAL COMPENSATION" OF THE INDIVIDUALS WHICH IS INTENDED TO INCLUDE BOTH CURRENT AND DEFERRED COMPENSATION AND ALL EMPLOYEE BENEFITS, BOTH

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QUALIFIED AND NON-QUALIFIED. THE COMMITTEE'S REVIEW IS DONE ON AT LEAST AN ANNUAL BASIS AND ENSURES THAT THE "TOTAL COMPENSATION" OF SENIOR MANAGEMENT OF THE ORGANIZATION IS REASONABLE.

THE ACTIONS TAKEN BY THE COMMITTEE ENABLE THE ORGANIZATION TO RECEIVE THE REBUTTABLE PRESUMPTION OF REASONABLENESS FOR PURPOSES OF INTERNAL REVENUE CODE SECTION 4958 WITH RESPECT TO THE TOTAL COMPENSATION OF CERTAIN MEMBERS OF THE SENIOR MANAGEMENT TEAM, INCLUDING, BUT NOT LIMITED TO, THE PRESIDENT/CHIEF EXECUTIVE OFFICER, SENIOR VICE PRESIDENT/CHIEF FINANCIAL OFFICER AND EXECUTIVE VICE PRESIDENT/CHIEF OPERATING OFFICER. THE THREE FACTORS WHICH MUST BE SATISFIED IN ORDER TO RECEIVE THE REBUTTABLE PRESUMPTION OF REASONABLENESS ARE THE FOLLOWING:

1. THE COMPENSATION ARRANGEMENT IS APPROVED IN ADVANCE BY AN "AUTHORIZED BODY" OF THE APPLICABLE TAX-EXEMPT ORGANIZATION WHICH IS COMPOSED ENTIRELY OF INDIVIDUALS WHO DO NOT HAVE A "CONFLICT OF INTEREST" WITH RESPECT TO THE COMPENSATION ARRANGEMENT;
2. THE AUTHORIZED BODY OBTAINED AND RELIED UPON "APPROPRIATE DATA AS TO COMPARABILITY" PRIOR TO MAKING ITS DETERMINATION; AND
3. THE AUTHORIZED BODY "ADEQUATELY DOCUMENTED THE BASIS FOR ITS DETERMINATION" CONCURRENTLY WITH MAKING THAT DETERMINATION.

THE COMMITTEE IS COMPRISED OF MEMBERS OF THE BOARD OF TRUSTEES EACH OF

Name of the organization

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WHO ARE INDEPENDENT AND ARE FREE FROM ANY CONFLICTS OF INTEREST.

THE COMMITTEE RELIED UPON APPROPRIATE COMPARABLE DATA; SPECIFICALLY THE COMMITTEE OBTAINED A WRITTEN COMPENSATION STUDY FROM AN INDEPENDENT FIRM WHICH SPECIALIZES IN THE REVIEWING OF HOSPITAL AND HEALTHCARE SYSTEM EXECUTIVE COMPENSATION AND BENEFITS THROUGHOUT THE UNITED STATES. THIS STUDY USED COMPARABLE GEOGRAPHIC AND DEMOGRAPHIC MARKET DATA INCLUDING BUT NOT LIMITED TO SIMILAR SIZED HOSPITALS, # OF LICENSED BEDS AND NET PATIENT SERVICE REVENUE, INCLUDING COMPLEXITY OF SERVICES. THE COMMITTEE ADEQUATELY DOCUMENTED ITS BASIS FOR ITS DETERMINATION THROUGH THE TIMELY PREPARATION OF WRITTEN MINUTES OF THE COMPENSATION COMMITTEE MEETINGS DURING WHICH THE EXECUTIVE COMPENSATION AND BENEFITS WAS REVIEWED AND SUBSEQUENTLY APPROVED.

THE ACTIONS OUTLINED ABOVE WITH RESPECT TO THE COMMITTEE AND THE ESTABLISHMENT OF THE REBUTTABLE PRESUMPTION OF REASONABLENESS ONLY APPLIES TO CERTAIN SENIOR MANAGEMENT PERSONNEL, INCLUDING, BUT NOT LIMITED TO THE PRESIDENT/CHIEF EXECUTIVE OFFICER, SENIOR VICE PRESIDENT/CHIEF FINANCIAL OFFICER AND EXECUTIVE VICE PRESIDENT/CHIEF OPERATING OFFICER. THE COMPENSATION AND BENEFITS OF CERTAIN OTHER INDIVIDUALS CONTAINED IN THIS FORM 990 ARE REVIEWED ANNUALLY BY THE PRESIDENT/CHIEF EXECUTIVE OFFICER WITH ASSISTANCE FROM THE ORGANIZATION'S HUMAN RESOURCES DEPARTMENT IN CONJUNCTION WITH THE INDIVIDUAL'S JOB PERFORMANCE DURING THE YEAR AND IS BASED UPON OTHER OBJECTIVE FACTORS DESIGNED TO ENSURE THAT REASONABLE AND FAIR MARKET VALUE COMPENSATION IS

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PAID BY THE ORGANIZATION. OTHER OBJECTIVE FACTORS INCLUDE MARKET SURVEY DATA FOR COMPARABLE POSITIONS, INDIVIDUAL GOALS AND OBJECTIVES, PERSONNEL REVIEWS, EVALUATIONS, SELF-EVALUATIONS AND PERFORMANCE FEEDBACK MEETINGS.

PLEASE ALSO REFER TO OUR RESPONSE INCLUDED IN SCHEDULE J, PART III, QUESTION 3 FOR FURTHER INFORMATION ON HOW CONNECTICUT CHILDREN'S SATISFIES THE CRITERIA OUTLINED IN THE IRS REBUTTABLE PRESUMPTION OF REASONABLENESS.

CORE FORM, PART VI, SECTION C; QUESTION 19

THE ORGANIZATION'S GOVERNING POLICIES AND CONFLICT OF INTEREST POLICY ARE AVAILABLE TO THE PUBLIC ON THE WEBSITE, WWW.CONNECTICUTCHILDRENS.ORG, OR BY REQUEST. THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST.

CORE FORM, PART VII AND SCHEDULE J

PART VII AND SCHEDULE J REFLECT CERTAIN BOARD MEMBERS AND OFFICERS RECEIVING COMPENSATION AND BENEFITS FROM THIS ORGANIZATION OR A RELATED ORGANIZATION. PLEASE NOTE THIS REMUNERATION WAS FOR SERVICES RENDERED AS FULL-TIME EMPLOYEES OF THIS ORGANIZATION OR THE RELATED ORGANIZATION; NOT FOR SERVICES RENDERED AS A VOTING MEMBER OR OFFICER OF THE ORGANIZATION'S BOARD OF DIRECTORS.

CORE FORM, PART VII, SECTION A, COLUMN B

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THE ORGANIZATION IS AN AFFILIATE WITHIN CCMC CORPORATION AND SUBSIDIARIES ("SYSTEM"); A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM. CERTAIN BOARD OF DIRECTOR MEMBERS, OFFICERS AND KEY EMPLOYEES LISTED ON CORE FORM, PART VII AND SCHEDULE J OF THIS FORM 990 MAY HOLD SIMILAR POSITIONS WITH BOTH THIS ORGANIZATION AND OTHER AFFILIATES WITHIN THE SYSTEM. THE HOURS SHOWN ON THIS FORM 990, FOR BOARD MEMBERS WHO RECEIVE NO COMPENSATION FOR SERVICES RENDERED IN A NON-BOARD CAPACITY, REPRESENT THE ESTIMATED HOURS DEVOTED PER WEEK FOR THIS ORGANIZATION. TO THE EXTENT THESE INDIVIDUALS SERVE AS A MEMBER OF THE BOARD OF DIRECTORS OF OTHER RELATED ORGANIZATIONS IN THE SYSTEM, THEIR RESPECTIVE HOURS ARE APPROXIMATELY THE SAME AS REFLECTED ON PART VII OF THIS FORM 990. THE HOURS REFLECTED ON PART VII OF THIS FORM 990, FOR BOARD MEMBERS WHO RECEIVE COMPENSATION FOR SERVICES RENDERED IN A NON-BOARD CAPACITY, PAID OFFICERS AND KEY EMPLOYEES, REFLECT TOTAL HOURS WORKED PER WEEK ON BEHALF OF THE SYSTEM; NOT SOLELY THIS ORGANIZATION.

CORE FORM, PART XI; QUESTION 9

OTHER CHANGES IN NET ASSETS OR FUND BALANCES INCLUDE:

- TRANSFER TO CONNECTICUT CHILDREN'S SPECIALTY GROUP, INC.; A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION - (\$12,927,434);
- TRANSFER TO CCMC CORPORATION; A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION - (\$909,390);
- CHANGE IN FUNDED STATUS OF PENSION AND POST-RETIREMENT PLANS -

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(\$6,921,768);

- CHANGE IN EQUITY INTEREST IN THE NET ASSETS OF CONNECTICUT CHILDREN'S MEDICAL CENTER FOUNDATION; A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION - (\$6,601,171);
- TEMPORARILY RESTRICTED CHANGE IN EQUITY INTEREST IN THE NET ASSETS OF CONNECTICUT CHILDREN'S MEDICAL CENTER FOUNDATION; A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION - (\$125,653);
- PERMANENTLY RESTRICTED CHANGE IN FUNDS HELD IN TRUST BY OTHERS - (\$7,600,518); AND
- PERMANENTLY RESTRICTED CHANGE IN EQUITY INTEREST IN THE NET ASSETS OF CONNECTICUT CHILDREN'S MEDICAL CENTER FOUNDATION; A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION - \$498,716.

CORE FORM, PART XII; QUESTION 2

AN INDEPENDENT CPA FIRM AUDITED THE CONSOLIDATED FINANCIAL STATEMENTS OF CONNECTICUT CHILDREN'S MEDICAL CENTER AND SUBSIDIARIES, FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND SEPTEMBER 30, 2014; RESPECTIVELY. THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS CONTAIN CONSOLIDATING SCHEDULES ON AN ENTITY BY ENTITY BASIS. THE INDEPENDENT CPA FIRM ISSUED AN UNQUALIFIED OPINION WITH RESPECT TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS.

IN ADDITION, CCMC CORPORATION AND SUBSIDIARIES ALSO RECEIVED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND SEPTEMBER 30, 2014; RESPECTIVELY. THE AUDITED CONSOLIDATED FINANCIAL

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STATEMENTS CONTAIN CONSOLIDATING SCHEDULES ON AN ENTITY BY ENTITY BASIS.

THE INDEPENDENT CPA FIRM ISSUED AN UNQUALIFIED OPINION WITH RESPECT TO
THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS.

THE ORGANIZATION'S FINANCE AND AUDIT COMMITTEE ASSUMES RESPONSIBILITY FOR
THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS AND THE SELECTION OF AN
INDEPENDENT AUDITOR.

CORE FORM, PART XII; QUESTION 3

THE ORGANIZATION IS AN AFFILIATE WITHIN CCMC CORPORATION AND SUBSIDIARIES
("SYSTEM"); A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM. THE
SYSTEM ENGAGED AN INDEPENDENT ACCOUNTING FIRM TO PREPARE AND ISSUE A
CONSOLIDATED AUDIT UNDER THE SINGLE AUDIT ACT AND OMB CIRCULAR A-133.
THIS ORGANIZATION WAS INCLUDED IN THE CONSOLIDATED AUDIT.

ATTACHMENT 1

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

MISSION

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CONNECTICUT CHILDREN'S MEDICAL CENTER IS DEDICATED TO IMPROVING THE
PHYSICAL AND EMOTIONAL HEALTH OF CHILDREN THROUGH FAMILY-CENTERED
CARE, RESEARCH, EDUCATION AND ADVOCACY. WE EMBRACE DISCOVERY,
TEAMWORK, INTEGRITY AND EXCELLENCE IN ALL THAT WE DO.

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ATTACHMENT 1 (CONT'D)

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

VISION

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WE ARE MAKING CHILDREN IN CONNECTICUT THE HEALTHIEST IN THE COUNTRY.

VALUES

=====

FAMILY-CENTERED CARE

- WE PLACE OUR PATIENTS AND THEIR FAMILIES AT THE CENTER OF ALL WE DO.

- WE PARTNER WITH FAMILIES AND EMBRACE THEIR INVOLVEMENT IN ALL ASPECTS OF SERVICE AND CARE.

DISCOVERY

- WE LOOK FOR NEW WAYS OF DOING THINGS.
- WE ASK QUESTIONS, INVEST IN RESEARCH, FIND ANSWERS AND SHARE NEW KNOWLEDGE WITH THE WORLD.

INTEGRITY

Name of the organization CONNECTICUT CHILDREN'S MEDICAL CENTER	Employer identification number
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ATTACHMENT 1 (CONT'D)

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

- WE ARE OPEN, HONEST AND ETHICAL.
- WE TAKE RESPONSIBILITY FOR OUR ACTIONS AND FULFILL OUR COMMITMENTS.
- WE ADMIT OUR MISTAKES AND LEARN FROM THEM.

TEAMWORK

- WE LIVE BY THE STATEMENT "I CARE IF YOU SUCCEED."
- WE WORK TOGETHER TO ACHIEVE OUR GOALS. WE VALUE ONE ANOTHER AND CELEBRATE OUR SUCCESS.

QUALITY

- WE COME TO WORK EVERY DAY WITH THE GOAL OF MAKING THINGS BETTER THAN THE DAY BEFORE.
- WE PURSUE THE HIGHEST STANDARDS, THE SAFEST CARE IN THE SAFEST WORKPLACE AND THE BEST OUTCOMES IN EVERYTHING WE DO.

RESPECT

- WE HONOR THE DIGNITY AND VALUE OF EVERY PERSON AND TAKE PRIDE IN OUR ORGANIZATION.
- WE TRUST EACH OTHER.

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ATTACHMENT 1 (CONT'D)FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

- WE TREAT EACH OTHER AS WE WISH TO BE TREATED AND VALUE OUR
WORKPLACE AS OUR HOME.

- WE EMBRACE DIVERSITY AND THE UNIQUE CONTRIBUTIONS THAT EACH PERSON
BRINGS TO CONNECTICUT CHILDREN'S.

PLEASE REFER TO THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT
INCLUDED IN SCHEDULE O.

ATTACHMENT 2990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
UNIVERSITY OF CONNECTICUT HEALTH CENTER 263 FARMINGTON AVENUE FARMINGTON, CT 06032	MEDICAL	19,475,737.
HARTFORD HOSPITAL 80 SEYMOUR STREET, P.O. BOX 5037 HARTFORD, CT 06102-5037	MEDICAL	10,912,276.
HURON CONSULTING SERVICES LLC 3005 MOMENTUM PLACE CHICAGO, IL 60689	CONSULTING	4,720,483.
ARAMARK CORPORATION P.O. BOX 651009 CHARLOTTE, NC 28265-1009	CAFETERIA/DIETARY	2,121,846.
HARTFORD HEALTH CARE CORPORATION 80 SEYMOUR STREET HARTFORD, CT 06102-5037	MEDICAL	1,631,052.

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ATTACHMENT 3

FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	<u>(A)</u> <u>TOTAL</u> <u>REVENUE</u>	<u>(B)</u> <u>RELATED OR</u> <u>EXEMPT REVENUE</u>	<u>(C)</u> <u>UNRELATED</u> <u>BUSINESS REV.</u>	<u>(D)</u> <u>EXCLUDED</u> <u>REVENUE</u>
INTEREST INCOME	475.			475.
CHANGE IN EQUITY INTEREST IN NET ASSETS OF THE FOUNDATION	2,197,421.			2,197,421.
INTEREST INCOME (LOSS) ON SWAP	-1,157,531.			-1,157,531.
CHANGE IN FMV OF SWAP	789,823.			789,823.
TOTALS	<u>1,830,188.</u>			<u>1,830,188.</u>

ATTACHMENT 4

FORM 990, PART VIII - EXCLUDED CONTRIBUTIONS

<u>DESCRIPTION</u>	<u>AMOUNT</u>
GALA	555,999.
TOTAL	<u>555,999.</u>

ATTACHMENT 5

FORM 990, PART VIII - FUNDRAISING EVENTS

<u>DESCRIPTION</u>	<u>GROSS</u> <u>INCOME</u>	<u>DIRECT</u> <u>EXPENSES</u>
GALA	231,854.	231,854.
TOTALS	<u>231,854.</u>	<u>231,854.</u>

Name of the organization CONNECTICUT CHILDREN'S MEDICAL CENTER	Employer identification number <u>ATTACHMENT 6</u>
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FORM 990, PART VIII - GAMING ACTIVITIES

<u>DESCRIPTION</u>	<u>GROSS INCOME</u>	<u>DIRECT EXPENSES</u>	
RAFFLE	4,529.	188.	4,341.
TOTALS	<u>4,529.</u>	<u>188.</u>	<u>4,341.</u>

ATTACHMENT 7

FORM 990, PART IX - OTHER FEES

<u>DESCRIPTION</u>	<u>(A) TOTAL FEES</u>	<u>(B) PROGRAM SERVICE EXP.</u>	<u>(C) MANAGEMENT AND GENERAL</u>	<u>(D) FUNDRAISING EXPENSES</u>
PURCHASED SERVICES	31,332,382.	30,021,423.	1,298,518.	12,441.
CONSULTING FEES	4,102,660.	1,622,436.	2,480,224.	
PROFESSIONAL FEES	915,512.	915,512.		
RECRUITMENT AGENCY FEES	412,766.		412,766.	
INTERNS & RESIDENTS	9,956,272.	9,956,272.		
OTHER FEES	7,512,075.	5,561,235.	1,949,499.	1,341.
TOTALS	<u>54,231,667.</u>	<u>48,076,878.</u>	<u>6,141,007.</u>	<u>13,782.</u>

ATTACHMENT 8

FORM 990, PART X - SECURED MORTGAGES AND NOTES PAYABLE

LENDER: LAWSON
 MATURITY DATE: 10/31/2015
 REPAYMENT TERMS: SEMI-ANNUAL INSTALLMENTS OF \$199,606
 SECURITY PROVIDED: EQUIPMENT

BEGINNING BALANCE DUE 399,211.
 ENDING BALANCE DUE

LENDER: SIEMENS

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ATTACHMENT 8 (CONT'D)

ORIGINAL AMOUNT: 1,103,512.
 INTEREST RATE: 4.150000
 DATE OF NOTE: 01/18/2011
 MATURITY DATE: 12/31/2015
 REPAYMENT TERMS: MONTHLY INSTALLMENT OF \$18,392
 SECURITY PROVIDED: EQUIPMENT
 PURPOSE OF LOAN: MRI EQUIPMENT

BEGINNING BALANCE DUE	265,880.
ENDING BALANCE DUE	<u>51,544.</u>
TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE	<u>665,091.</u>
TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE	<u>51,544.</u>

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

CONNECTICUT CHILDREN'S MEDICAL CENTER

Related Organizations and Unrelated Partnerships

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

▶ Attach to Form 990.

▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

**Open to Public
Inspection**

Employer identification number

06-0646755

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) CCMC CORPORATION 282 WASHINGTON STREET HARTFORD, CT 06106 22-2619876	HLTHCARE SVCS	CT	501(C)(3)	509(A)(3)	N/A		X
(2) CONNECTICUT CHILDREN'S MEDICAL CTR FDN 282 WASHINGTON STREET HARTFORD, CT 06106 22-2619869	FUNDRAISING	CT	501(C)(3)	509(A)(1)	CCMC CORP		X
(3) CCMC AFFILIATES, INC. 282 WASHINGTON STREET HARTFORD, CT 06106 22-2619870	HLTHCARE SVCS	CT	501(C)(3)	509(A)(2)	CCMC CORP		X
(4) CONNECTICUT CHILDREN'S SPECIALTY GROUP 282 WASHINGTON STREET HARTFORD, CT 06106 06-1446900	HLTHCARE SVCS	CT	501(C)(3)	509(A)(2)	CT CHILDRENS	X	
(5) CHILDREN'S FUND OF CONNECTICUT, INC. 270 FARMINGTON AVENUE FARMINGTON, CT 06032 06-1364513	HLTHCARE SVCS	CT	501(C)(3)	509(A)(3)	CT CHILDRENS	X	
(6) CHILDREN'S HEALTH & DEVEL. INSTITUTE INC 270 FARMINGTON AVENUE FARMINGTON, CT 06032 06-1504725	HLTHCARE SVCS	CT	501(C)(3)	509(A)(1)	CFCT		X
(7) CAPITAL AREA HEALTH CONSORTIUM, INC. 270 FARMINGTON AVENUE FARMINGTON, CT 06032 51-0173264	SUPPORT SVCS	CT	501(C)(3)	509(A)(3)	CT CHILDRENS	X	

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

Schedule R (Form 990) 2014

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) CCMC VENTURES, INC. 22-2619873 282 WASHINGTON STREET HARTFORD, CT 06106	INACTIVE	CT	N/A	C CORP.					X
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

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

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

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)	X	
e Loans or loan guarantees by related organization(s)	X	
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)	X	
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o Sharing of paid employees with related organization(s)	X	
p Reimbursement paid to related organization(s) for expenses	X	
q Reimbursement paid by related organization(s) for expenses	X	
r Other transfer of cash or property to related organization(s)	X	
s Other transfer of cash or property from related organization(s)	X	

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) CONNECTICUT CHILDREN'S SPECIALTY GROUP	O	12,084,568.	COST
(2) CONNECTICUT CHILDREN'S SPECIALTY GROUP	Q	20,918,493.	COST
(3) CONNECTICUT CHILDREN'S SPECIALTY GROUP	P	33,395,176.	COST
(4) CONNECTICUT CHILDREN'S SPECIALTY GROUP	R	14,650,000.	COST
(5) CONNECTICUT CHILDREN'S SPECIALTY GROUP	R	12,927,434.	COST
(6) CONNECTICUT CHILDREN'S SPECIALTY GROUP	S	3,560,000.	COST

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

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

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	1a	
b Gift, grant, or capital contribution to related organization(s)	1b	
c Gift, grant, or capital contribution from related organization(s)	1c	
d Loans or loan guarantees to or for related organization(s)	1d	
e Loans or loan guarantees by related organization(s)	1e	
f Dividends from related organization(s)	1f	
g Sale of assets to related organization(s)	1g	
h Purchase of assets from related organization(s)	1h	
i Exchange of assets with related organization(s)	1i	
j Lease of facilities, equipment, or other assets to related organization(s)	1j	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	
o Sharing of paid employees with related organization(s)	1o	
p Reimbursement paid to related organization(s) for expenses	1p	
q Reimbursement paid by related organization(s) for expenses	1q	
r Other transfer of cash or property to related organization(s)	1r	
s Other transfer of cash or property from related organization(s)	1s	

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) CCMC CORPORATION	O	63,350.	COST
(2) CCMC CORPORATION	P	118,998.	COST
(3) CCMC CORPORATION	Q	76,993.	COST
(4) CCMC CORPORATION	R	909,390.	COST
(5) CCMC CORPORATION	S	3,950,000.	COST
(6)			

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Part VII Supplemental Information

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

SCHEDULE R, PART V

THE ORGANIZATION IS AN AFFILIATE WITHIN CCMC CORPORATION AND SUBSIDIARIES ("SYSTEM"); A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM. IN THE ORDINARY COURSE OF BUSINESS, THIS ORGANIZATION MAY PAY EXPENSES OR TRANSFER FUNDS AMONGST AND FOR VARIOUS AFFILIATES. THESE RELATED PARTY TRANSACTIONS ARE RECORDED ON THE REVENUE/EXPENSE AND BALANCE SHEET STATEMENTS OF THIS ORGANIZATION AND ITS AFFILIATES. THESE ENTITIES WORK TOGETHER TO DELIVER HIGH QUALITY HEALTHCARE AND WELLNESS SERVICES TO THE COMMUNITIES IN WHICH THEY ARE SITUATED.

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER INCOME

RENTAL INCOME

204,929.
204,929.

OTHER DEDUCTIONS

RENTAL EXPENSES

147,203.
147,203.

RENT AND ROYALTY SUMMARY

<u>PROPERTY</u>	<u>TOTAL INCOME</u>	<u>DEPLETION/ DEPRECIATION</u>	<u>OTHER EXPENSES</u>	<u>ALLOWABLE NET INCOME</u>
RENTAL INCOME	204,929.		147,203.	57,726.
TOTALS	<u>204,929.</u>		<u>147,203.</u>	<u>57,726.</u>

**SCHEDULE D
(Form 1041)**

Capital Gains and Losses

OMB No. 1545-0092

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1041, Form 5227, or Form 990-T.
▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9 and 10.
▶ Information about Schedule D and its separate instructions is at www.irs.gov/form1041.

2014

Name of estate or trust

Employer identification number

CONNECTICUT CHILDREN'S MEDICAL CENTER

06-0646755

Note: Form 5227 filers need to complete **only** Parts I and II.

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b.				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked				
4 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2013 Capital Loss Carryover Worksheet				6 ()
7 Net short-term capital gain or (loss) . Combine lines 1a through 6 in column (h). Enter here and on line 17, column (3) on the back ▶				7

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b.		655,403.		-655,403.
8b Totals for all transactions reported on Form(s) 8949 with Box D checked				
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked				
11 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824				11
12 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts				12
13 Capital gain distributions				13
14 Gain from Form 4797, Part I				14
15 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2013 Capital Loss Carryover Worksheet				15 ()
16 Net long-term capital gain or (loss) . Combine lines 8a through 15 in column (h). Enter here and on line 18a, column (3) on the back ▶				16 -655,403.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2014

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
17	Net short-term gain or (loss)	17		
18	Net long-term gain or (loss):			
a	Total for year	18a		-655,403.
b	Unrecaptured section 1250 gain (see line 18 of the wrksh.)	18b		
c	28% rate gain	18c		
19	Total net gain or (loss). Combine lines 17 and 18a. ▶	19		-655,403.

Note: If line 19, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 18a and 19, column (2), are net gains, go to Part V, and **do not** complete Part IV. If line 19, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation			
20	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:		
a	The loss on line 19, column (3) or b \$3,000	20	(3,000.)

Note: If the loss on line 19, column (3), is more than \$3,000, **or** if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 18a and 19 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if:

- Either line 18b, col. (2) or line 18c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part **only** if both lines 18a and 19 are gains, or qualified dividends are included in income in Part I of Form 990-T, **and** Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 18b, col. (2) or line 18c, col. (2) is more than zero.

21	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34).	21		
22	Enter the smaller of line 18a or 19 in column (2) but not less than zero.	22		
23	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T).	23		
24	Add lines 22 and 23	24		
25	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0-. ▶	25		
26	Subtract line 25 from line 24. If zero or less, enter -0-	26		
27	Subtract line 26 from line 21. If zero or less, enter -0-	27		
28	Enter the smaller of the amount on line 21 or \$2,500	28		
29	Enter the smaller of the amount on line 27 or line 28	29		
30	Subtract line 29 from line 28. If zero or less, enter -0-. This amount is taxed at 0% ▶	30		
31	Enter the smaller of line 21 or line 26	31		
32	Subtract line 30 from line 26.	32		
33	Enter the smaller of line 21 or \$12,150.	33		
34	Add lines 27 and 30	34		
35	Subtract line 34 from line 33. If zero or less, enter -0-	35		
36	Enter the smaller of line 32 or line 35.	36		
37	Multiply line 36 by 15%. ▶	37		
38	Enter the amount from line 31	38		
39	Add lines 30 and 36	39		
40	Subtract line 39 from line 38. If zero or less, enter -0-	40		
41	Multiply line 40 by 20% ▶	41		
42	Figure the tax on the amount on line 27. Use the 2014 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	42		
43	Add lines 37, 41, and 42	43		
44	Figure the tax on the amount on line 21. Use the 2014 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	44		
45	Tax on all taxable income. Enter the smaller of line 43 or line 44 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) ▶	45		

**Connecticut Children's Medical Center
and Subsidiaries**

Consolidated Financial Statements and
Supplementary Information

September 30, 2015 and 2014



Candor. Insight. Results.

Connecticut Children's Medical Center and Subsidiaries

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September 30, 2015 and 2014

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Baker Tilly Virchow Krause, LLP
One Penn Plaza, Suite 3000
New York, NY 10119
tel 212 697 6900
fax 212 490 1412
bakertilly.com

Independent Auditors' Report

Board of Directors
Connecticut Children's Medical Center and Subsidiaries

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Connecticut Children's Medical Center and Subsidiaries, which comprise the consolidated balance sheet as of September 30, 2015, and the related consolidated statements of operations and changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of The Children's Fund of Connecticut, Inc., a wholly-owned subsidiary, which statements reflect total assets constituting 8 percent of consolidated total assets at September 30, 2015, and total revenues and other income constituting 1 percent of consolidated total revenues and other income for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for The Children's Fund of Connecticut, Inc., is based solely on the report of the other auditors. We conducted our audit in conformity with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, based on our audit and the report of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Connecticut Children's Medical Center and Subsidiaries as of September 30, 2015, and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matter

The financial statements of Connecticut Children's Medical Center and Subsidiaries for the year ended September 30, 2014, were audited by another auditor whose report, dated March 27, 2015, expressed an unmodified opinion on those statements.

Report on Supplementary Information

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information is presented for purposes of additional analysis rather than to present the financial position, results of operations, and cash flows of the individual entities and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in conformity with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Baker Tilly Virchow Krause, LLP

New York, New York
December 4, 2015

Connecticut Children's Medical Center and Subsidiaries

Consolidated Balance Sheet
September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>		<u>2015</u>	<u>2014</u>
Assets			Liabilities and Net Assets		
Current Assets			Current Liabilities		
Cash and cash equivalents	\$ 10,245,260	\$ 5,760,243	Current portion of bonds payable	\$ 1,415,000	\$ 1,350,000
Funds held by trustee under revenue bond agreement	435,186	5,021,620	Current portion of notes payable	5,918,464	6,189,100
Patient accounts receivable, less allowance for doubtful accounts of approximately \$4,727,000 in 2015 and \$7,432,000 in 2014	35,293,659	35,223,272	Accounts payable and accrued expenses	40,501,685	46,780,505
Due from affiliated entities	1,040,023	713,768	Accrued wages	21,616,615	19,047,697
Inventories	1,443,429	1,389,353	Due to third parties	20,369,039	33,564,770
Other current assets	11,485,755	13,541,186	Due to affiliated entities	17,465,304	7,752,261
			Accrued interest payable and other current liabilities	58,357	64,013
Total current assets	<u>59,943,312</u>	<u>61,649,442</u>	Total current liabilities	107,344,464	114,748,346
Assets Whose Use is Limited			Bonds Payable, Less Current Portion	35,269,625	36,685,000
Investments	31,951,929	34,873,798	Notes Payable, Less Current Portion	16,920,593	22,855,716
Funds held in trust by others	75,285,353	82,885,871	Accrued Pension Liability	19,397,464	11,770,096
Interest in Foundation	100,379,776	104,410,463	Other Long Term Liabilities	36,277,323	35,220,533
Total assets whose use is limited	<u>207,617,058</u>	<u>222,170,132</u>	Total liabilities	<u>215,209,469</u>	<u>221,279,691</u>
Property, Plant and Equipment			Net Assets		
Buildings	144,535,354	136,902,649	Unrestricted	96,011,925	102,337,958
Furniture and equipment	113,305,291	106,426,925	Temporarily restricted	29,432,838	26,191,341
Construction in progress	13,845,701	16,921,791	Permanently restricted	93,121,923	100,223,725
	271,686,346	260,251,365	Total net assets	218,566,686	228,753,024
Less accumulated depreciation	(138,009,171)	(121,434,591)			
Total property, plant and equipment	<u>133,677,175</u>	<u>138,816,774</u>			
Other Assets					
Bond issuance costs	627,071	679,656			
Ground lease	2,328,806	2,358,098			
Other	29,582,733	24,358,613			
Total other assets	<u>32,538,610</u>	<u>27,396,367</u>			
Total assets	<u>\$ 433,776,155</u>	<u>\$ 450,032,715</u>	Total liabilities and net assets	<u>\$ 433,776,155</u>	<u>\$ 450,032,715</u>

See notes to consolidated financial statements

Connecticut Children's Medical Center and SubsidiariesConsolidated Statement of Operations and Changes in Net Assets
Years Ended September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Patient service revenues	\$ 343,770,471	\$ 309,418,514
Provision for bad debts	(2,520,081)	(4,813,073)
	<u>341,250,390</u>	<u>304,605,441</u>
Patient service revenues, less provision for bad debts		
	341,250,390	304,605,441
Other revenues	12,738,591	8,551,408
Net assets released from restrictions for operations	15,612,408	13,845,714
	<u>15,612,408</u>	<u>13,845,714</u>
Total revenues	<u>369,601,389</u>	<u>327,002,563</u>
Expenses		
Salaries	170,680,248	167,935,132
Benefits	41,717,189	41,735,053
Supplies and other	133,500,477	132,224,466
Depreciation and amortization	18,176,443	15,604,157
Interest	1,234,420	1,242,337
	<u>1,234,420</u>	<u>1,242,337</u>
Total expenses	<u>365,308,777</u>	<u>358,741,145</u>
Income (loss) from operations	<u>4,292,612</u>	<u>(31,738,582)</u>
Other Income		
Investment return, net	2,077,941	4,002,893
Income from trusts held by others	3,326,528	3,135,171
Loss on disposal of property, plant and equipment	(655,403)	-
Change in equity interest in net assets of the Foundation	2,197,421	6,519,525
	<u>2,197,421</u>	<u>6,519,525</u>
Total other income	<u>6,946,487</u>	<u>13,657,589</u>
Excess (deficiency) of revenues over expenses	<u>11,239,099</u>	<u>(18,080,993)</u>

See notes to consolidated financial statements

Connecticut Children's Medical Center and SubsidiariesConsolidated Statement of Operations and Changes in Net Assets
Years Ended September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted Net Assets (continued)		
Excess (deficiency) of revenues over expenses (from previous page)	\$ 11,239,099	\$ (18,080,993)
Transfer to affiliated organizations, net	(909,390)	-
Unrealized loss on investments	(3,852,126)	(1,709,497)
Net assets released from restrictions for capital	719,323	1,746,968
Change in funded status of pension and post-retirement plans	(6,921,768)	(3,807,134)
Change in equity interest in the net assets of the Foundation	<u>(6,601,171)</u>	<u>(547,812)</u>
Change in unrestricted net assets	<u>(6,326,033)</u>	<u>(22,398,468)</u>
Temporarily Restricted Net Assets		
Transfer from affiliated organization	7,849,025	10,054,736
Net assets released from restrictions for operations	(15,612,408)	(13,845,714)
Net assets released from restrictions for capital	(719,323)	(1,746,968)
Bequests, gifts and grants	11,849,856	9,391,284
Change in equity interest in the net assets of the Foundation	<u>(125,653)</u>	<u>402,458</u>
Change in temporarily restricted net assets	<u>3,241,497</u>	<u>4,255,796</u>
Permanently Restricted Net Assets		
Change in funds held in trust by others	(7,600,518)	3,685,543
Change in equity interest in the net assets of the Foundation	<u>498,716</u>	<u>431,168</u>
Change in permanently restricted net assets	<u>(7,101,802)</u>	<u>4,116,711</u>
Change in net assets	(10,186,338)	(14,025,961)
Net Assets at Beginning of Year	<u>228,753,024</u>	<u>242,778,985</u>
Net Assets at End of Year	<u>\$ 218,566,686</u>	<u>\$ 228,753,024</u>

See notes to consolidated financial statements

Connecticut Children's Medical Center and Subsidiaries

Consolidated Statement of Cash Flows

Years Ended September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (10,186,338)	\$ (14,025,961)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Noncash items:		
Provision for bad debts	2,520,081	4,813,073
Depreciation and amortization	18,176,443	15,604,157
Realized and unrealized losses on investments	2,029,246	1,709,497
Change in value of funds held by others	7,600,518	(3,685,543)
Change in funded status of pension and post-retirement plans	6,921,768	3,807,134
Change in interest in Foundation	4,030,687	(6,805,339)
Other changes in net assets:		
Bequests, gifts and grants	(11,849,856)	(9,391,284)
Transfer from affiliated organizations	(7,849,025)	(10,054,736)
Changes in operating assets and liabilities:		
Patient accounts receivable	(2,590,468)	(8,688,015)
Due to/from affiliated entities, net	9,386,788	2,978,294
Inventories	(54,076)	(295,066)
Other current assets	2,055,431	2,667,661
Other long-term assets	(5,142,243)	(5,755,755)
Accounts payable and accrued expenses	(6,278,820)	6,926,864
Accrued wages	2,568,918	1,837,008
Accrued interest payable and other current liabilities	(5,656)	(243,322)
Due to third parties	(13,195,731)	20,169,966
Pension liability	705,600	(394,320)
Other long-term liabilities	1,056,790	3,068,282
Net cash (used in) provided by operating activities	<u>(99,943)</u>	<u>4,242,595</u>
Cash Flows from Investing Activities		
Purchase of property, plant and equipment, net	(13,036,844)	(27,469,197)
Change in funds held by trustee under revenue bond agreement	4,586,434	11,986,702
Change in investments, net	892,623	(2,786,671)
Net cash used in investing activities	<u>(7,557,787)</u>	<u>(18,269,166)</u>
Cash Flows from Financing Activities		
Bequests, gifts and grants	11,849,856	9,391,284
Transfer from affiliates	7,849,025	10,054,736
Principal payments on bonds and notes payable	(7,866,634)	(6,988,038)
Proceeds from debt issued	310,500	4,078,877
Net cash provided by financing activities	<u>12,142,747</u>	<u>16,536,859</u>
Increase in cash and cash equivalents	4,485,017	2,510,288
Cash and Cash Equivalents, Beginning	<u>5,760,243</u>	<u>3,249,955</u>
Cash and Cash Equivalents, Ending	<u>\$ 10,245,260</u>	<u>\$ 5,760,243</u>

See notes to consolidated financial statements

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements
September 30, 2015 and 2014

1. Organization and Accounting Policies

The Connecticut Children's Medical Center (the "Medical Center") is a wholly-owned, tax-exempt subsidiary of CCMC Corporation. The Board of the Medical Center, appointed by CCMC Corporation, controls the operations of the Medical Center.

The Medical Center is the sole member of Connecticut Children's Specialty Group, Inc. ("CCSG") and The Children's Fund of Connecticut, Inc. (the "Children's Fund"). CCSG was formed to provide and promote children's health care and to support the Medical Center. The Children's Fund was formed to further the charitable mission of the Medical Center and to improve pediatric care in the Hartford Region.

Regulatory Matters

The Medical Center is required to file annual operating information with the State of Connecticut Office of Health Care Access ("OHCA").

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, such as estimated uncollectibles for patient accounts receivable, and liabilities, such as third party settlements, medical malpractice insurance liabilities and pension and postretirement liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting 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.

Principles of Consolidation

The consolidated financial statements include the accounts of the Medical Center and its subsidiaries. All significant intercompany accounts and transactions are eliminated in consolidation.

Cash and Cash Equivalents

Cash and cash equivalents include cash, money market funds and certificates of deposit. Restricted cash has been restricted by the donor to a specific time frame or purpose.

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements
September 30, 2015 and 2014

Investments

Investments consist of fixed income securities, equity securities (including readily tradeable stocks, exchange traded funds and mutual funds), interests in common collective/commingled trusts and investments in funds of funds. All investments, including funds held by trustee under revenue bond agreements, are measured at fair value at the balance sheet dates (see Note 16). Investment income (including realized gains and losses on investments, interest and dividends) is included in other income unless the income or loss is restricted by donor or law. The cost of securities sold is based on the specific identification method. Unrealized gains and losses on investments are excluded from excess (deficiency) of revenues over expenses unless the loss is considered to be other-than-temporary. Other-than-temporary losses are included in other income which is a component of excess (deficiency) of revenues over expenses. Based on current market conditions, as well as the Medical Center's ability and intent to hold impaired assets to recovery, no other than temporary losses were recorded.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or market value.

Funds Held in Trust by Others

The Medical Center has an irrevocable right to receive income earned on certain trust assets established for its benefit. Distributions received by the Medical Center are unrestricted and included in income from trusts held by others in the statement of operations and changes in net assets. The Medical Center's interest in the fair value of the trust assets is included in assets whose use is limited. Changes in the market value of the trust assets are reported as increases or decreases to permanently restricted net assets.

The Interest in Foundation represents the Medical Center's interest in the net assets of Connecticut Children's Medical Center Foundation, Inc. (the "Foundation"). 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*. In 2015 and 2014, the Medical Center did not require and did not receive any unrestricted financial support from the Foundation. The Foundation will provide support in future fiscal years as necessary.

Bond Issuance Costs

Bond issuance costs incurred to obtain financing for construction and renovation programs are being amortized using the straight-line method. The difference between the straight-line method and the effective-interest method is immaterial.

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2015 and 2014

Property, Plant, and Equipment

Property, plant and equipment are recorded on the basis of cost. The Medical Center provides for depreciation of property, plant, and equipment using the straight-line method in amounts sufficient to depreciate the cost of the assets over their estimated useful lives.

Pension Plan

The Medical Center has a noncontributory defined benefit pension plan in effect covering all eligible employees. The Medical Center's funding policy is to contribute amounts to the plan sufficient to meet the minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974.

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 support 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 of 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 reported as unrestricted contributions in the accompanying consolidated financial statements.

Interest Rate Swap Agreements

The Medical Center utilizes interest rate swap agreements to reduce risks associated with changes in interest rates. The Medical Center is exposed to credit loss in the event of non-performance by the counterparties to its interest rate swap agreements. The Medical Center is also exposed to the risk that the swap receipts may not offset its variable rate debt exposure.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those where use by the Medical Center has been limited by donors to a specific time frame or purpose. Temporarily restricted net assets consist primarily of contributions restricted for certain health care and children's services. Permanently restricted net assets, which are primarily assets held in trusts by others and endowment gifts, have been restricted by donors and are to be maintained in perpetuity.

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2015 and 2014

Medical Malpractice Insurance

The Medical Center purchases malpractice coverage in which the primary level of coverage is \$4,000,000 per claim and \$12,000,000 in the aggregate. There is an additional \$6,000,000 of professional liability purchased through an external insurance company. In addition, there are four layers of excess indemnity coverage with four different insurance companies at \$10,000,000 per claim on the first three layers and \$15,000,000 per claim on the fourth layer, totaling \$45,000,000 in the aggregate. There are no deductibles. Additionally, the Medical Center purchased a loss capping policy to limit the exposure on existing claims as of September 30, 2012. Under this policy, any existing claim that settles for greater than the amount reserved for this claim is covered and paid by the insurance company, limiting the Medical Center's liability for increases in claims up to \$10,000,000 per claim and \$20,000,000 in the aggregate. Should claims settle for greater than the amount already reserved and the \$20,000,000 loss capping policy, the Medical Center is fully liable for the excess.

Insurance Recovery Receivable and Insurance Claims Liability

The Medical Center presents anticipated insurance recoveries separately from estimated insurance liabilities for medical malpractice claims and similar contingent liabilities on the consolidated balance sheets. The current portion of the insurance recovery receivable and related insurance claims liability totaled \$6,460,657 and \$7,579,924 at September 30, 2015 and 2014, respectively, and is included within other current assets and accounts payable and accrued expenses in the accompanying consolidated balance sheets. The non-current portion of the insurance recovery receivable and related insurance claims liability totaled \$22,092,207 and \$18,873,772 at September 30, 2015 and 2014, respectively, and is included within other assets and other long-term liabilities in the accompanying consolidated balance sheets.

Excess (Deficiency) of Revenues over Expenses

The consolidated statements of operations and changes in net assets include excess (deficiency) of revenues over expenses as the performance indicator. Changes in unrestricted net assets which are excluded from excess (deficiency) of revenues over expenses include transfers to affiliated organizations, unrealized gains and losses on investments, net assets released from restrictions for capital, change in the equity interest in the net assets of the Foundation and changes in the funded status of the pension and postretirement plans.

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements
September 30, 2015 and 2014

Other Income

Activities, other than in connection with providing health care services, are considered to be nonoperating and are included in other income. Other income consists primarily of income on invested funds, unrestricted gifts and bequests, realized gains and losses on sales of securities and income from funds held in trust by others.

Advertising

The Medical Center's policy is to expense advertising costs as incurred. Total advertising expense was \$911,134 and \$899,439 for the years ended September 30, 2015 and 2014, respectively.

Income Taxes

The Medical Center and its subsidiaries are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code.

The Medical Center has net operating loss carryforwards from unrelated business activities of approximately \$586,000 which begin expiring on September 30, 2029. These net operating loss carryforwards result in a potential deferred tax asset of approximately \$234,400 which is offset by a valuation allowance of the same amount.

New Accounting Pronouncement

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU No. 2014-09 supersedes the revenue recognition requirements in *Topic 605, Revenue Recognition*, and most industry-specific guidance. Under the requirements of ASU No. 2014-09, the core principle is that entities should recognize revenue to depict the transfer of promised goods or services to customers (patients) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Medical Center will be required to retrospectively adopt the guidance in ASU No. 2014-09 for years beginning after December 15, 2017; early application is not permitted. The Medical Center has not yet determined the impact of adoption of ASU No. 2014-09 on its consolidated financial statements.

Subsequent Events

The Medical Center evaluates the impact of subsequent events, which are events that occur after the balance sheet date but before the consolidated financial statements are issued, for potential recognition in the consolidated financial statements as of the balance sheet date. For the year ended September 30, 2015, the Medical Center evaluated subsequent events through December 4, 2015, which is the date the consolidated financial statements were issued. No events occurred that require disclosure in or adjustment to the consolidated financial statements.

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2015 and 2014

2. Net Revenue from Services to Patients and Charity Care

The Medical Center provides health care services primarily to residents of the region. Revenues from the Medicaid program accounted for approximately 36% and 37% of the Medical Center's net patient service revenue for the years ended September 30, 2015 and 2014, respectively. Laws and regulations governing the Medicaid programs are complex and subject to interpretation. The Medical Center 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. While no such regulatory inquiries have been made, 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 Medicaid program. Changes in the Medicaid program and the reduction of funding levels could have an adverse impact on the Medical Center.

The following table summarizes net revenues from services to patients:

	<u>2015</u>	<u>2014</u>
Total gross revenues from patients	\$ 779,425,997	\$ 702,777,015
Less total contractual allowances	439,248,437	387,252,545
Less charity care	2,258,042	1,531,966
Less administrative and other allowances	<u>4,149,047</u>	<u>4,573,990</u>
Total allowances	<u>445,655,526</u>	<u>393,358,501</u>
DSH settlement with State of Connecticut	<u>10,000,000</u>	<u>-</u>
Patient service revenues	343,770,471	309,418,514
Less provision for bad debts	<u>2,520,081</u>	<u>4,813,073</u>
Patient service revenues, less provision for bad debts	<u>\$ 341,250,390</u>	<u>\$ 304,605,441</u>

Patient accounts receivable and revenues are recorded when patient services are performed. Amounts received from certain payors are different from established billing rates of the Medical Center, and the difference is accounted for as allowances. The Medical Center records its provision for bad debts based upon a review of all of its outstanding receivables. Write-offs of receivable balances are related primarily to its population of underinsured patients. An underinsured patient is one who has commercial insurance which leaves a significant portion of the Medical Center's reimbursement to be paid by the patient, either through large deductibles or co-pay requirements. Self-pay patients are rare in the pediatric environment, as Medicaid is readily available to children. Self-pay net revenue approximated \$3,600,000 and \$3,500,000 for the years ended September 30, 2015 and 2014, respectively.

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements
September 30, 2015 and 2014

Net patient service revenue is reported at the estimated realizable amounts from patients, third-party payors and others for services rendered. Revenue under third-party payor agreements is subject to audit and retroactive adjustments. Provisions for estimated third-party payor settlements and adjustments are estimated in the period the related services are rendered and adjusted in future periods as final settlements are determined. In 2015, the Medical Center received a \$10,000,000 settlement related to prior years that increased net patient service revenue. There were no impacts to net patient service revenue for the year ended September 30, 2015 for net adjustments and settlements relating to prior years.

The Medical Center has agreements with various Health Maintenance Organizations (HMOs) to provide medical services to subscribing participants. Under these agreements, the Medical Center receives per diem and fee-for-service payments for certain covered services based upon discounted fee schedules.

The Medical Center 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 Medical Center. Essentially, those policies define charity services as those services for which no payment is anticipated. In assessing a patient's inability to pay, the Medical Center 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 incomes.

The costs of charity care incurred were \$928,834 and \$730,330 for the years ended September 30, 2015 and 2014, respectively. The costs of charity care are derived from both estimated and actual data. The estimated cost of charity care includes the direct and indirect cost of providing such services and is estimated utilizing the Medical Center's ratio of cost to gross charges, which is then multiplied by the gross uncompensated charges associated with providing care to charity patients.

3. Related-Party Transactions

Certain Medical Center employees render management and other services to affiliated entities for which the Medical Center is reimbursed. The amount of such reimbursement was \$807,034 and \$738,852 for the years ended September 30, 2015 and 2014, respectively.

Due to affiliated organizations, net, includes \$16,425,281 and \$7,038,493 at September 30, 2015 and 2014, respectively, which is primarily related to cash advanced from the Foundation for operating purposes. Interest is not charged and there are no fixed repayment terms on these advances.

4. Concentrations of Credit Risk

The Medical Center's financial instruments that are exposed to concentrations of credit risk primarily consist of cash and cash equivalents, short-term investments and patient accounts receivable.

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2015 and 2014

The Medical Center's cash and cash equivalents are placed with high credit quality financial institutions. The Medical Center's investment policy limits its exposure to concentrations of credit risk. In the normal course of business, the Medical Center maintains cash balances in excess of the Federal Deposit Insurance Corporation's ("FDIC") insurance limit. Cash balances exceeded FDIC limits by approximately \$10,418,000 and \$5,300,000 at September 30, 2015 and 2014, respectively.

The Medical Center provides health care services and grants credit without collateral to its patients, most of whom are Connecticut residents and are insured under third-party payor agreements. An estimated allowance for doubtful accounts as well as contractual allowances is maintained at levels considered adequate to reduce the account balances to net realizable value. The mix of receivables from patients and third-party payors at September 30 was as follows:

	<u>2015</u>	<u>2014</u>
Medicaid	35 %	36 %
Medicaid managed care	2	1
Commercial/managed care - contracted	51	49
Commercial/managed - non-contracted	4	6
Patients and other	<u>8</u>	<u>8</u>
	<u>100 %</u>	<u>100 %</u>

5. Investments

The composition of investments as of September 30, stated at fair value, is set forth in the following table:

	<u>2015</u>		<u>2014</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Short-term investments	\$ 35,653	\$ 35,653	\$ 89,300	\$ 89,300
Marketable equity securities	543,174	536,981	485,570	696,734
Fixed income securities	26,363	27,377	26,363	28,182
Institutional managed equity funds	23,772,244	23,624,360	19,664,509	23,130,409
Institutional managed bond fund	7,365,317	7,397,486	10,837,642	10,860,612
Other	<u>356,020</u>	<u>330,072</u>	<u>65,131</u>	<u>68,561</u>
	<u>\$ 32,098,771</u>	<u>\$ 31,951,929</u>	<u>\$ 31,168,515</u>	<u>\$ 34,873,798</u>

Investments consisted of mutual funds and individual securities that comprised approximately 76% equity securities and 24% fixed income investments at September 30, 2015, and 69% equity securities and 31% fixed income investments at September 30, 2014.

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2015 and 2014

The following table summarizes the unrealized losses on investments held at September 30, 2015:

	Less Than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Marketable equity securities	\$ 7,995,517	\$ 1,312,313	\$ 4,099,045	\$ 1,608,196	\$ 12,094,562	\$ 2,920,509
Fixed income securities	3,290,101	63,907	-	-	3,290,101	63,907
Institutional managed equity funds	522,612	23,753	-	-	522,612	23,753
Other	150,836	5,848	44,461	6,253	195,297	12,101
Total investments	<u>\$ 11,959,066</u>	<u>\$ 1,405,821</u>	<u>\$ 4,143,506</u>	<u>\$ 1,614,449</u>	<u>\$ 16,102,572</u>	<u>\$ 3,020,270</u>

The following table summarizes the unrealized losses on investments held at September 30, 2014:

	Less Than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Marketable equity securities	\$ 14,327	\$ 437	\$ 17,172	\$ 6,998	\$ 31,499	\$ 7,435
Fixed income securities	5,275,918	521,573	1,875,013	134,435	7,150,931	656,008
Institutional managed equity funds	39,636	462	64,956	44	104,592	506
Other	128,083	14,640	-	-	128,083	14,640
Total investments	<u>\$ 5,457,964</u>	<u>\$ 537,112</u>	<u>\$ 1,957,141</u>	<u>\$ 141,477</u>	<u>\$ 7,415,105</u>	<u>\$ 678,589</u>

Management continually reviews its investment portfolio and evaluates whether declines in the fair value of securities should be considered other-than-temporary. Factored into this evaluation are the general market conditions, the issuer's financial condition and near-term prospects, conditions in the issuer's industry, the recommendation of advisors, the length of time and extent to which the market value has been less than cost along with the Medical Center's intent and ability to hold the investments. During the years ended September 30, 2015 and 2014, the Medical Center has not recorded any other-than-temporary declines in the fair value of investments, as the Corporation has the ability and intent to hold the securities to recovery.

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements
September 30, 2015 and 2014

Investment returns for the years ended September 30 are as follows:

	<u>2015</u>	<u>2014</u>
Interest and dividend income	\$ 782,951	\$ 728,192
Realized gain	1,822,880	3,938,791
Net swap activity	(367,708)	(499,834)
Investment fees and other	<u>(160,182)</u>	<u>(164,256)</u>
	2,077,941	4,002,893
Unrealized loss on investments	<u>(3,852,126)</u>	<u>(1,709,497)</u>
Total	<u>\$ (1,774,185)</u>	<u>\$ 2,293,396</u>

6. Restricted Net Assets

Endowments

The endowment consists of seven individual donor-restricted funds established for a variety of purposes which are held and controlled by the Foundation. As required by GAAP, net assets associated with endowment funds are classified and reported based on donor-imposed restrictions. At September 30, 2015 and 2014, the Medical Center had \$22,267,000 and \$21,942,979, respectively, in endowments held at the Foundation which are recorded by the Medical Center through its interest in the Foundation.

Interpretation of Relevant Law

The Medical Center's Board and senior management have interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Medical Center classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard for expenditure prescribed by UPMIFA. In accordance with UPMIFA, the Medical Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements
September 30, 2015 and 2014

- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the organization
- (7) The investment policies of the organization

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Medical Center to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets. There were no deficiencies at September 30, 2015 and 2014.

Return Objectives and Risk Parameters

The Medical Center has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity. Under this policy, the endowment assets are invested in a manner that is intended to produce results that equal or exceed relevant benchmarks. The Medical Center expects its endowment funds, over time, to provide an average rate of return of at least 5% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Medical Center relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Medical Center targets a diversified asset allocation strategy that places a greater emphasis on equity-based investments to achieve its long-term return objectives within the guidelines of its investment policy and prudent risk constraints.

Connecticut Children's Medical Center and Subsidiaries

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Endowment Net Asset Composition by Type of Fund

All endowment net assets are donor-restricted endowment funds.

Changes in endowment net assets for the years ended September 30 consisted of the following:

	2015		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning balance	\$ 4,605,125	\$ 17,337,854	\$ 21,942,979
Contributions	-	498,716	498,716
Investment return	417,438	-	417,438
Net appreciation (realized and unrealized)	794,207	-	794,207
Appropriation of endowment assets for expenditure	(1,386,340)	-	(1,386,340)
Endowment net assets, ending balance	<u>\$ 4,430,430</u>	<u>\$ 17,836,570</u>	<u>\$ 22,267,000</u>
	2014		
Endowment net assets, beginning balance	\$ 2,738,483	\$ 16,906,686	\$ 19,645,169
Contributions	-	431,168	431,168
Investment return	411,618	-	411,618
Net appreciation (realized and unrealized)	2,055,469	-	2,055,469
Appropriation of endowment assets for expenditure	(600,445)	-	(600,445)
Endowment net assets, ending balance	<u>\$ 4,605,125</u>	<u>\$ 17,337,854</u>	<u>\$ 21,942,979</u>

Income from endowment funds is considered temporarily restricted until it meets the original donor's time or purpose restriction of the donation. These funds are commingled with other temporarily restricted contributions for the same purposes (see tables below for discussion of the purpose of restrictions) and invested until such time that the funds are utilized. The Medical Center's spending policy is that any expenditure associated with the endowment is appropriated based on the donor's intention.

Connecticut Children's Medical Center and Subsidiaries

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Temporarily Restricted

Temporarily restricted net assets are available for the following purposes as of September 30:

	<u>2015</u>	<u>2014</u>
Equipment purchases	2 %	2 %
Education	7	8
Other health care services	91	90
	<u>100 %</u>	<u>100 %</u>

Permanently Restricted

Permanently restricted net assets at September 30 are restricted to:

	<u>2015</u>	<u>2014</u>
Health care and children's services	81 %	83 %
Other health care services	14	13
Education	5	4
	<u>100 %</u>	<u>100 %</u>

7. Pension Plan

Effective January 1, 1993, the State of Connecticut mandated that individuals hired by the Medical Center were no longer eligible to participate in the State of Connecticut pension plan ("State Plan"). Employees who were participants in the State Plan as of December 31, 1992 can remain participants in the State Plan so long as they continue to remain employed by the Medical Center.

Effective January 1, 1994, the Medical Center adopted a defined benefit pension plan covering substantially all of its employees. Benefits for employees who are participants in the State Plan are reduced to reflect vested benefits provided under the State Plan.

Effective January 1, 1999, the Medical Center converted its pension plan to a Cash Balance Retirement Plan (the "Plan"). Plan benefits are based on years of service and the employee's compensation. Contributions to the Plan are intended to provide for benefits attributed to services rendered to date and benefits expected to be earned in the future. Future benefits are earned and credited by participants based on a percentage of compensation (ranging from 2.5% to 12.5%) associated with years of service. Plan participants earn a return based on an interest rate established annually at the beginning of the pay year. Plan participants vest in their benefits after three years of service.

On February 26, 2009, the Board of Directors of the Medical Center adopted a resolution to freeze the Plan effective May 1, 2009.

Connecticut Children's Medical Center and Subsidiaries

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Included in unrestricted net assets at September 30, 2015 and 2014 are unrecognized actuarial losses of \$27,031,839 and \$19,507,126, respectively. The actuarial loss included in unrestricted net assets and expected to be recognized in net periodic pension cost during the year ending September 30, 2016 is \$1,387,641.

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 liability included in the consolidated balance sheets at year ended September 30:

	<u>2015</u>	<u>2014</u>
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 88,747,942	\$ 79,974,687
Interest cost	3,431,884	3,384,986
Actuarial loss, including the effects of any assumption changes	2,780,248	7,632,859
Benefits paid	<u>(4,216,712)</u>	<u>(2,244,590)</u>
Benefit obligation at end of year	<u>\$ 90,743,362</u>	<u>\$ 88,747,942</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 76,977,846	\$ 71,617,405
Contributions	-	100,000
Actual return on plan assets	(1,415,236)	7,505,031
Benefits paid	<u>(4,216,712)</u>	<u>(2,244,590)</u>
Fair value of plan assets at end of year	<u>\$ 71,345,898</u>	<u>\$ 76,977,846</u>
Funded status of the plan	<u>\$ (19,397,464)</u>	<u>\$ (11,770,096)</u>

The weighted-average assumptions used to develop the projected benefit obligation as of September 30 are as follows:

	<u>2015</u>	<u>2014</u>
Discount rate	4.00 %	4.00 %
Rate of compensation	N/A	N/A
Cash balance interest credit	5.50	5.50
Return on plan assets	6.75	6.75

Connecticut Children's Medical Center and Subsidiaries

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Net periodic pension costs for the years ended September 30 consist of the following:

	<u>2015</u>	<u>2014</u>
Interest cost	\$ 3,431,884	\$ 3,384,986
Expected return on plan assets	(4,717,144)	(4,226,469)
Net amortization, net actuarial loss	<u>1,387,915</u>	<u>1,078,430</u>
Net periodic benefit costs	<u>\$ 102,655</u>	<u>\$ 236,947</u>

The weighted-average assumptions used to determine net periodic benefit costs as of September 30 are as follows:

	<u>2015</u>	<u>2014</u>
Discount rate	4.00 %	4.45 %
Cash balance interest credit	5.50	5.50
Expected long-term rate of return on plan assets	6.75	6.75
Rate of compensation	N/A	N/A

The expected long-term rate of return on plan assets was developed through analysis of historical market returns, current market conditions and the fund's past experience. Estimates of future market returns by asset category are lower than actual long-term historical returns in order to reflect current market conditions.

The accumulated benefit obligation at September 30, 2015 and 2014 was \$90,743,362 and \$88,747,942, respectively.

Plan Assets

The Plan assets are managed by outside investment managers. The investment strategy with respect to pension assets is to maximize return while protecting principal. The investment manager has the flexibility to adjust the asset allocation and move funds to the asset class that offers the most opportunity. The investment objective for Plan assets over a full market cycle time period is to generate a return in excess of the passive portfolio benchmark for each asset class.

The asset allocations for the Plan at September 30, by asset category, are as follows:

	<u>Percentage of Plan Assets at Year-End</u>	
	<u>2015</u>	<u>2014</u>
Asset Category:		
Domestic equities	35 %	37 %
International equities	19	19
Debt securities	40	38
Other	<u>6</u>	<u>6</u>
	<u>100 %</u>	<u>100 %</u>

Connecticut Children's Medical Center and Subsidiaries

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The fair values of the Plan assets at September 30, 2015, by asset category, are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Money market mutual funds	\$ 229,131	\$ -	\$ -	\$ 229,131
Fixed income securities:				
U.S. government bonds	2,029,206	-	-	2,029,206
Municipal bonds	739,088	-	-	739,088
Corporate bonds	5,366,920	-	-	5,366,920
Foreign bonds	767,014	-	-	767,014
Fixed income mutual funds	3,715,799	11,693,762	-	15,409,561
Equity mutual funds	29,414,668	-	-	29,414,668
Multi-asset balanced mutual funds	-	14,836,238	-	14,836,238
Foreign multi-asset balanced mutual funds	-	2,554,072	-	2,554,072
Total	<u>\$ 42,261,826</u>	<u>\$ 29,084,072</u>	<u>\$ -</u>	<u>\$ 71,345,898</u>

The fair values of the Plan assets at September 30, 2014, by asset category, are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Money market mutual funds	\$ 357,228	\$ -	\$ -	\$ 357,228
Fixed income securities:				
U.S. government bonds	2,273,832	-	-	2,273,832
Municipal bonds	693,600	-	-	693,600
Corporate bonds	4,982,567	-	-	4,982,567
Foreign bonds	865,871	-	-	865,871
Fixed income mutual funds	3,584,208	11,507,036	-	15,091,244
Equity mutual funds	34,389,192	-	-	34,389,192
Multi-asset balanced mutual funds	-	15,521,959	-	15,521,959
Foreign multi-asset balanced mutual funds	-	2,802,353	-	2,802,353
Total	<u>\$ 47,146,498</u>	<u>\$ 29,831,348</u>	<u>\$ -</u>	<u>\$ 76,977,846</u>

The Medical Center does not expect to contribute to its pension plan in fiscal 2016.

Connecticut Children's Medical Center and Subsidiaries

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The Medical Center expects to pay the following benefit payments, which reflect expected future service as appropriate:

Fiscal year:	
2016	\$ 7,675,000
2017	5,580,000
2018	6,057,000
2019	5,757,000
2020	5,841,000
Years 2021 - 2025	27,587,000

8. Post-Retirement Benefit Plan

The Medical Center sponsors the Connecticut Children's Medical Center Postretirement Welfare Plan (the "PRW Plan"), an unfunded plan which provides post-retirement medical benefits to retired employees who meet the specific criteria identified in the PRW Plan document. The Medical Center's contribution toward cost of medical coverage varies by years of pension credited service at retirement, ranging from 25% for employees with ten years of credited service to 100% for those employees with 25 plus years of credited service. The Medical Center's maximum fixed dollar commitment is \$2,280 per year per retiree.

Included in unrestricted net assets at September 30, 2015 and 2014 are \$2,993,289 and \$2,468,074, respectively, of net unrecognized actuarial gains that have not yet been recognized in net periodic benefit cost. There is \$214,966 of actuarial gain included in unrestricted net assets that is expected to be recognized in net periodic pension cost during the year ending September 30, 2016.

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The following table presents a reconciliation of the beginning and ending balances of the PRW Plan's projected benefit obligation and the fair value of plan assets, as well as the funded status of the plan and accrued post-retirement obligation included in the consolidated balance sheets as of September 30:

	<u>2015</u>	<u>2014</u>
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 6,340,898	\$ 5,658,107
Service cost	228,789	219,274
Interest cost	263,408	268,206
Actuarial losses (gains), including the effects of any assumption changes	(683,727)	330,315
Benefits paid	<u>(77,730)</u>	<u>(135,004)</u>
Benefit obligation at end of year	<u>\$ 6,071,638</u>	<u>\$ 6,340,898</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ -	\$ -
Contributions	77,730	135,004
Benefits paid	<u>(77,730)</u>	<u>(135,004)</u>
Fair value of plan assets at end of year	<u>\$ -</u>	<u>\$ -</u>
Accrued post-retirement obligation included in other long-term liabilities	<u>\$ (6,071,638)</u>	<u>\$ (6,340,898)</u>

The weighted-average assumptions used to develop the post-retirement benefit obligation as of September 30 are as follows:

	<u>2015</u>	<u>2014</u>
Discount rate	4.30 %	4.20 %
Healthcare cost trend rate:		
Current year	8.00	8.50
Ultimate	5.00	5.00
Number of years to reach ultimate	6	7

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Net periodic benefits costs for the years September 30 consist of the following:

	<u>2015</u>	<u>2014</u>
Service cost	\$ 228,789	\$ 219,274
Interest cost	263,408	268,206
Net amortization, Net actuarial gain	<u>(158,512)</u>	<u>(200,952)</u>
Net periodic benefit costs	<u>\$ 333,685</u>	<u>\$ 286,528</u>

The weighted-average assumptions used to determine net periodic benefit costs are as follows for September 30:

	<u>2015</u>	<u>2014</u>
Discount rate	4.20 %	4.80 %
Health care cost trend rate		
Initial rate	8.50	9.00
Ultimate rate	5.00	5.00
Years to ultimate	6	7

A one-percentage point change in assumed health care cost trend rates would have the following effect on the post-retirement benefit plan:

	<u>One-percentage Point</u>	
	<u>Increase</u>	<u>Decrease</u>
Effect on postretirement benefit obligation	\$ 95,451	\$ 105,951
Effect on total of service and interest cost	10,384	14,123

The Medical Center expects to contribute \$175,000 to its post-retirement benefit plan in fiscal 2016.

The Medical Center expects to pay the following benefit payments, which reflect expected future service as appropriate:

	<u>Post-retirement Benefits</u>
Fiscal year:	
2016	\$ 175,000
2017	200,000
2018	230,000
2019	262,000
2020	282,000
Years 2021 - 2025	1,856,000

Connecticut Children's Medical Center and Subsidiaries

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9. Bonds Payable

A summary of long-term debt is as follows:

	<u>2015</u>	<u>2014</u>
Hospital revenue bonds financed with the State of Connecticut Health and Educational Facilities Authority (CHEFA) Series D (4.19% effective interest rate)	\$ 36,684,625	\$ 38,035,000
Less current portion	<u>1,415,000</u>	<u>1,350,000</u>
	<u>\$ 35,269,625</u>	<u>\$ 36,685,000</u>

In June 2011, the Medical Center along with the Foundation (the "Obligated Group") refinanced their existing State of Connecticut Health and Educational Facilities Authority ("CHEFA") hospital revenue bonds with variable rate revenue bonds (the Series D Bonds) with a principal amount of \$41,580,000. The Series D Bonds were issued at par and directly placed with one investor. The investor has committed to holding the bonds for a ten year period, at the end of which, the investor may put the bonds back to the Obligated Group or extend their holding period at their discretion. The bonds mature in varying amounts through 2032, with interest rates based on 65% of LIBOR plus a spread of 1.52%, ranging from 1.63% to 1.65% in the current year.

The agreement and related documents provide, among other things, that the Series D Bonds and any additional bonds will be payable from payments to be made by the Obligated Group and that it will be obligated to make such payments so long as the Series D Bonds and any additional bonds are outstanding. The Series D Bonds are collateralized by an interest in revenues of the Medical Center and a mortgage on the facilities, ground lease, easements and other certain leases that comprise the overall hospital premises owned by the Medical Center.

Pursuant to the mortgage agreement and related documents, the Obligated Group is required to meet certain covenants including a day's cash on hand, debt to capitalization and a debt service coverage ratio requirement.

The carrying value of the bonds payable approximates fair value. The Medical Center classifies bonds payable in Level 2 of the valuation hierarchy.

The Medical Center is required to make monthly interest and semi-annual principal repayments for the Series D Bonds. A principal payment for the Series D bonds was paid on January 1, 2015. Interest paid for 2015 and 2014 was \$618,683 and \$636,884, respectively.

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Principal payments for the next five years under the CHEFA obligations are as follows:

2016	\$ 1,415,000
2017	1,500,000
2018	1,580,000
2019	1,665,000
2020	1,740,000
Aggregate thereafter	<u>28,784,625</u>
	<u>\$ 36,684,625</u>

In November 2005, the Medical Center entered into an interest rate swap agreement (the 2005 swap) effectively converting \$23,700,000 of its then existing variable-rate debt ("Series C debt") to a fixed-rate basis of 3.704% through June 2018. The fair value of the swap (a liability of \$549,134 and \$879,859 at September 30, 2015 and 2014, respectively,) is reported in other long-term liabilities. The change in value of \$326,043 and \$479,506 is reported as a component of income from investments for the years ended September 30, 2015 and 2014, respectively. The swap, while serving as an economic hedge, does not qualify for hedge accounting.

Upon the refunding of the Series C debt in June 2011, the Medical Center applied the 2005 swap against the newly issued Series D debt and entered into a new swap agreement (the 2011 swap), which along with the 2005 swap, effectively converts all of its outstanding Series D debt to a fixed-rate basis. The interest rate on the new swap is 4.6138%. The fair value of the 2011 swap (a liability of \$553,115 and \$1,012,213 as of September 30, 2015 and 2014, respectively,) is reported in other long-term liabilities. The change in value of \$463,780 and \$181,416 is reported as a component of income from investments for the years ended September 30, 2015 and 2014, respectively. The swap, while serving as an economic hedge, does not qualify for hedge accounting.

The 2011 swap has an embedded option that gives the Medical Center the right to terminate the swap beginning July 1, 2016, and on the first business day of each month thereafter. If the option is exercised by the Medical Center, the transaction will terminate and neither party will owe a termination payment amount. There is no exercise premium.

The following table summarizes the Medical Center's interest rate swap agreements:

Swap Type	Expiration Date	Medical Center Receives	Medical Center Pays	Notional Amount at September 30	
				2015	2014
Series C - Fixed to Floating (2005 Swap)	July 1, 2018	70% of LIBOR	3.70%	\$ 9,675,000	\$ 12,725,000
Series D - Fixed to Floating (2011 Swap)	July 1, 2032	65% LIBOR + 1.52%	4.61%	<u>26,408,498</u>	<u>24,518,878</u>
				<u>\$ 36,083,498</u>	<u>\$ 37,243,878</u>

The total notional amount differs from the amount outstanding on the debt as a result of the different amounts that the Medical Center receives. The notional amount of the 2011 swap is modified to adjust for the differing percentage of LIBOR received under the 2005 swap.

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10. Notes Payable

Notes payable at September 30 consists of the following:

	<u>2015</u>	<u>2014</u>
Notes payable to an independent financing company payable in semi-annual installments of \$199,606 through October 2015, interest free.	\$ -	\$ 399,211
Notes payable to a health care equipment manufacturing company in monthly installments of \$18,392 through December 2015, at 4.15% interest. Secured by certain equipment.	51,544	265,880
Notes payable to a bank in monthly installments of \$147,233 through October 2018 at 2.85% interest. Secured by certain equipment.	5,209,211	6,802,836
Notes payable to a bank in monthly installments of \$128,417 through October 2018 at 1.455% interest. Secured by certain equipment.	7,068,428	8,495,319
Notes payable to a bank in monthly installments of \$55,978 through June 2018 at 1.302% interest. Secured by certain equipment.	1,813,638	2,457,216
Notes payable to a bank in monthly installments of \$114,385 through September 2019 at 2.52% interest. Secured by certain equipment.	5,217,573	6,441,905
Notes payable to a bank in monthly installments of \$59,782 through August 2019 at 3.94% interest. Secured by certain equipment.	2,592,756	3,191,082
Notes payable to a bank in monthly installments of \$9,845 through January 2021, interest free. Secured by certain equipment.	630,104	827,012
Notes payable to landlord for leasehold improvements payable in monthly installments of \$1,431 through August 2019 at 6%, unsecured.	59,799	72,949
Notes payable to a hospital association payable in monthly installments of \$6,529, interest free.	13,058	91,406
Note payable to a software company in quarterly installments of \$25,875 through September 2017.	182,946	-
	<u>22,839,057</u>	<u>29,044,816</u>
Less current portion	<u>5,918,464</u>	<u>6,189,100</u>
Total	<u>\$ 16,920,593</u>	<u>\$ 22,855,716</u>

The carrying value of the notes payable approximates fair value. The Medical Center classifies notes payable in Level 2 of the valuation hierarchy.

Interest paid on the notes was \$615,737 and \$605,312 for the years ended September 30, 2015 and 2014, respectively.

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Principal payments on the notes for the next five years are as follows:

2016	\$ 5,918,394
2017	5,965,534
2018	5,857,646
2019	3,791,106
2020	1,266,924
Aggregate thereafter	<u>39,453</u>
	<u>\$ 22,839,057</u>

11. Line of Credit

The Medical Center has a line of credit agreement with Bank of America, N.A. for \$15,000,000. Amounts advanced under this line of credit are due on demand and interest is charged at the LIBOR rate plus 1.25%. There were no borrowings at September 30, 2015, and this line of credit expires on March 31, 2017.

12. Contingencies

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for patient services previously billed. Management is not aware of any material incidents of noncompliance; however, the possible future financial effects of this matter on the Medical Center, if any, are not presently determinable.

There have been malpractice claims that fall within the Medical Center's malpractice insurance which have been asserted against the Medical Center. In addition, there are known incidents that have occurred through September 30, 2015, that may result in the assertion of claims. Refer to Note 1.

The Medical Center is a party to various lawsuits incidental to its business. Management does not believe that the lawsuits will have a material adverse effect on the Medical Center's consolidated financial position.

The Medical Center and CCSG record as a liability the estimate for claims-made malpractice liabilities and the estimate for incurred but not reported claims. The estimate for incurred but not reported claims, discounted at 4.00%, totaled \$4,312,042 and \$5,576,736 at September 30, 2015 and 2014, respectively. The Medical Center has recorded related insurance recoveries receivable of \$28,552,864 and \$26,453,696 at September 30, 2015 and 2014, respectively, in consideration for the expected insurance recoveries for the total claims-made insurance.

The Medical Center records as a liability an estimate of workers' compensation claims. Such liability, undiscounted, totaled approximately \$2,201,000 and \$2,055,125 at September 30, 2015 and 2014, respectively.

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13. Commitments

Ground Lease

The Medical Center has a ground lease with Hartford Hospital to lease the site on which the Medical Center stands. The lease term is 99 years beginning November 1, 1993 with an optional extension for an additional 99-year term.

The Ground Lease was recorded as a prepaid asset in the original amount of \$2,900,000 and is amortized over the term of the lease. The net asset is recorded at \$2,328,806 and \$2,358,098 as of September 30, 2015 and 2014, respectively, and is included in other assets in the accompanying consolidated balance sheets. The lease includes certain covenants which restrict, among other things, the Medical Center's ability to be a party to mergers.

Parking Agreement

The Medical Center has a Parking Agreement with Hartford Hospital ("HH") for the use of 450 parking spaces on the Hartford Hospital campus. The agreement continues in full force and effect until the earlier of a written termination of the agreement by the Medical Center and HH or the termination of the ground lease.

14. Operating Leases

Rental and lease expense amounted to \$14,066,271 and \$12,985,729 for the years ended September 30, 2015 and 2014, respectively.

The minimum lease commitments under all noncancelable operating leases with initial or remaining terms of more than one year are as follows:

Fiscal years ending September 30:	
2016	\$ 10,592,640
2017	9,482,912
2018	7,883,711
2019	7,810,014
2020	6,449,180
Thereafter	<u>35,725,716</u>
	<u>\$ 77,944,173</u>

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15. Functional Expenses

The Medical Center provides health care services to residents within its geographic location including pediatric care and outpatient surgery. Expenses related to providing these services are as follows:

	<u>2015</u>	<u>2014</u>
Health care services	\$ 287,355,006	\$ 288,254,913
General and administrative	<u>77,953,771</u>	<u>70,486,232</u>
	<u>\$ 365,308,777</u>	<u>\$ 358,741,145</u>

16. Fair Value of Financial Instruments

The Medical Center calculates fair value of its financial assets and liabilities, when applicable, 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. Fair value measurements are applied based on a unit of account from the Medical Center's perspective. The unit of account determines what is being measured by reference to the level at which the asset or liability is aggregated (or disaggregated). In order to increase consistency and comparability in fair value measurements, the Medical Center utilizes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described as follows:

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 Medical Center utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Medical Center also financial assets and liabilities carried at fair value as of September 30, 2015 are classified in the table below in one of the three categories described above:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	\$ 10,245,260	\$ -	\$ -	\$ 10,245,260
Fixed income securities (a)	63,030	-	-	63,030
Domestic fixed	27,491,190	-	-	27,491,190
International fixed	35,050	-	-	35,050
Domestic equity	13,853,097	-	-	13,853,097

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2015 and 2014

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
International equity	\$ 108,084	\$ -	\$ -	\$ 108,084
Mutual funds:				
Domestic	5,187,269	-	-	5,187,269
International	3,304,104	-	-	3,304,104
Multi-strategy	54,950	-	-	54,950
Equity:				
Domestic growth (c)	4,675,896	-	-	4,675,896
Domestic value (c)	4,620,275	-	-	4,620,275
International (c)	7,478,722	-	-	7,478,722
International equity common trust fund	-	5,990,498	-	5,990,498
Domestic equity common trust fund	-	8,262,493	-	8,262,493
Fixed Income:				
International	561,998	-	-	561,998
Domestic	2,763,097	-	-	2,763,097
Intermediate term (c)	7,284,582	-	-	7,284,582
Global (c)	2,520,778	-	-	2,520,778
Short-term (c)	153,999	-	-	153,999
Inflation protected (c)	815,210	-	-	815,210
Common trust fund (d)	-	2,093,716	-	2,093,716
Domestic fixed common trust fund	-	6,430,985	-	6,430,985
Fund of funds	-	192,734	-	192,734
Real estate investments	-	719,813	-	719,813
Foundation held funds and miscellaneous other investments (f)	330,342	2,245,370	-	2,575,712
Total	\$ 91,546,933	\$ 25,935,609	\$ -	\$ 117,482,542
Liabilities,				
Interest rate swap agreements (g)	\$ -	\$ 1,102,249	\$ -	\$ 1,102,249

Financial assets and liabilities carried at fair value as of September 30, 2014 are classified in the table below in one of the three categories described above:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	\$ 5,760,243	\$ -	\$ -	\$ 5,760,243
Fixed income securities (a)	117,482	-	-	117,482
Domestic fixed	6,535,302	-	-	6,535,302
International fixed	345,854	-	-	345,854
Marketable equity securities (b)	494,722	-	-	494,722
Domestic equity	17,454,812	-	-	17,454,812
International equity	1,599,252	-	-	1,599,252

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements
September 30, 2015 and 2014

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Domestic	\$ 12,362,690	\$ -	\$ -	\$ 12,362,690
International	3,331,872	-	-	3,331,872
Multi-strategy	3,024,061	-	-	3,024,061
Equity:				
Domestic growth (c)	5,495,099	-	-	5,495,099
Domestic value (c)	5,478,832	-	-	5,478,832
International (c)	8,129,521	-	-	8,129,521
International equity common trust fund	-	5,913,593	-	5,913,593
Domestic equity common trust fund	-	11,728,000	-	11,728,000
Fixed Income:				
International	618,442	-	-	618,442
Domestic	6,299,598	-	-	6,299,598
Intermediate term (c)	7,123,169	-	-	7,123,169
Global (c)	2,730,651	-	-	2,730,651
Short-term (c)	186,627	-	-	186,627
Inflation protected (c)	825,258	-	-	825,258
Common trust fund (d)	-	1,983,537	-	1,983,537
Domestic fixed common trust fund	-	7,155,394	-	7,155,394
Funds held by trustee under revenue bond agreement (e)	5,021,620	-	-	5,021,620
Fund of funds	-	2,247,593	-	2,247,593
Real estate investments	-	3,159,391	-	3,159,391
Foundation held funds and miscellaneous other investments (f)	423,285	2,995,632	-	3,418,917
Total	<u>\$ 93,358,392</u>	<u>\$ 35,183,140</u>	<u>\$ -</u>	<u>\$ 128,541,532</u>
Liabilities,				
Interest rate swap agreements (g)	<u>\$ -</u>	<u>\$ 1,892,072</u>	<u>\$ -</u>	<u>\$ 1,892,072</u>

(a) Includes investments in publicly traded fixed income investments, which may include government, municipal or corporate bonds of varied duration.

(b) Includes investments in publicly traded stock of domestic corporations.

(c) Includes investments in domestic and international equity mutual funds and exchange traded funds. Investments are broken out into the underlying funds' asset type and investment goals.

Connecticut Children's Medical Center and Subsidiaries

Notes to Consolidated Financial Statements

September 30, 2015 and 2014

- (d) The common trust fund seeks to gain exposure to large cap U.S. companies by replicating the S&P 500 Tobacco Free Index, which excludes any company for which tobacco is one of its top five revenue producing industries. There are no liquidity restrictions as the redemption frequency and notice period is daily.
- (e) These funds reflect proceeds from borrowings that are held in trust for the Medical Center's use. Funds are generally invested in money market mutual funds and may be drawn on by the Medical Center to purchase capital assets.
- (f) These funds reflect the value of the Medical Center's interest in funds held in trust for the Medical Center's benefit. The Medical Center received statements and records its portion of the trusts' statement value.
- (g) The value of the Medical Center's swaps is determined by examining the present value of the future cash flows among other factors. The Medical Center utilizes an independent third party to calculate the value of the swaps based on all of the relevant factors.

The following is a description of the Medical Center's valuation methodologies for assets measured at fair value. The fair value methodologies are not necessarily indicators of liquidity but are descriptive of the measures used to arrive at fair value pricing. Fair value for Level 1 is based upon quoted market prices. Fair value for Level 2 is based on quoted market 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 methods described above may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Medical Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The amounts reported in the tables above exclude assets invested in the Medical Center's defined benefit pension plan (Note 7).

Connecticut Children's Medical Center and Subsidiaries

 Consolidating Balance Sheet
 September 30, 2015

	Connecticut Children's Medical Center	Effect of Adoption of ASC 958-20	Total	Connecticut Children's Specialty Group	Children's Fund	Eliminations	Total Consolidated
Assets							
Current Assets							
Cash and cash equivalents	\$ 8,339,532	\$ -	\$ 8,339,532	\$ 283,277	\$ 1,622,451	\$ -	\$ 10,245,260
Funds held by trustee under revenue bond agreement	435,186	-	435,186	-	-	-	435,186
Patient accounts receivable, less allowance for doubtful accounts of approximately \$3,846,000 for the Medical Center and \$881,000 for Specialty Group	31,383,650	-	31,383,650	3,910,009	-	-	35,293,659
Due from affiliated entities	640,957	-	640,957	399,066	-	-	1,040,023
Inventories	1,443,429	-	1,443,429	-	-	-	1,443,429
Other current assets	7,163,242	-	7,163,242	3,780,188	542,325	-	11,485,755
Total current assets	49,405,996	-	49,405,996	8,372,540	2,164,776	-	59,943,312
Assets Whose Use is Limited							
Investments	-	-	-	1,121,285	30,830,644	-	31,951,929
Funds held in trust by others	75,285,353	-	75,285,353	-	-	-	75,285,353
Interest in Foundation	-	100,379,776	100,379,776	-	-	-	100,379,776
Total assets whose use is limited	75,285,353	100,379,776	175,665,129	1,121,285	30,830,644	-	207,617,058
Property, Plant and Equipment							
Buildings	139,883,117	-	139,883,117	4,652,237	-	-	144,535,354
Furniture and equipment	110,714,702	-	110,714,702	2,334,983	255,606	-	113,305,291
Construction in progress	13,845,701	-	13,845,701	-	-	-	13,845,701
	264,443,520	-	264,443,520	6,987,220	255,606	-	271,686,346
Less accumulated depreciation	(134,135,876)	-	(134,135,876)	(3,753,127)	(120,168)	-	(138,009,171)
Total property, plant and equipment	130,307,644	-	130,307,644	3,234,093	135,438	-	133,677,175
Other Assets							
Bond issuance costs	627,071	-	627,071	-	-	-	627,071
Ground lease	2,328,806	-	2,328,806	-	-	-	2,328,806
Other	21,784,874	-	21,784,874	7,792,366	5,493	-	29,582,733
Total other assets	24,740,751	-	24,740,751	7,792,366	5,493	-	32,538,610
Total assets	<u>\$ 279,739,744</u>	<u>\$ 100,379,776</u>	<u>\$ 380,119,520</u>	<u>\$ 20,520,284</u>	<u>\$ 33,136,351</u>	<u>\$ -</u>	<u>\$ 433,776,155</u>

Connecticut Children's Medical Center and Subsidiaries

Consolidating Balance Sheet
September 30, 2015

	Connecticut Children's Medical Center	Effect of Adoption of ASC 958-20	Total	Connecticut Children's Specialty Group	Children's Fund	Eliminations	Total Consolidated
Liabilities and Net Assets (Deficiency)							
Current Liabilities							
Current portion of bonds payable	\$ 1,415,000	\$ -	\$ 1,415,000	\$ -	\$ -	\$ -	\$ 1,415,000
Current portion of notes payable	5,904,502	-	5,904,502	13,962	-	-	5,918,464
Accounts payable and accrued expenses	35,669,910	-	35,669,910	3,976,571	855,204	-	40,501,685
Accrued wages	14,239,585	-	14,239,585	7,377,030	-	-	21,616,615
Due to third parties	12,264,644	-	12,264,644	8,104,395	-	-	20,369,039
Due to affiliated entities	14,848,033	-	14,848,033	2,617,271	-	-	17,465,304
Accrued interest payable and other current liabilities	50,382	-	50,382	7,975	-	-	58,357
Total current liabilities	84,392,056	-	84,392,056	22,097,204	855,204	-	107,344,464
Bonds Payable, Less Current Portion	35,269,625	-	35,269,625	-	-	-	35,269,625
Notes Payable, Less Current Portion	16,874,755	-	16,874,755	45,838	-	-	16,920,593
Accrued Pension Liability	19,397,464	-	19,397,464	-	-	-	19,397,464
Other Long Term Liabilities	25,935,775	-	25,935,775	10,341,548	-	-	36,277,323
Total liabilities	181,869,675	-	181,869,675	32,484,590	855,204	-	215,209,469
Net Assets (Deficiency)							
Unrestricted	(2,600,595)	78,298,640	75,698,045	(11,964,306)	32,278,186	-	96,011,925
Temporarily restricted	25,185,311	4,244,566	29,429,877	-	2,961	-	29,432,838
Permanently restricted	75,285,353	17,836,570	93,121,923	-	-	-	93,121,923
Total net assets (deficiency)	97,870,069	100,379,776	198,249,845	(11,964,306)	32,281,147	-	218,566,686
Total liabilities and net assets (deficiency)	<u>\$ 279,739,744</u>	<u>\$ 100,379,776</u>	<u>\$ 380,119,520</u>	<u>\$ 20,520,284</u>	<u>\$ 33,136,351</u>	<u>\$ -</u>	<u>\$ 433,776,155</u>

Connecticut Children's Medical Center and Subsidiaries

Consolidating Statements of Operations and Changes in Net Assets

Year Ended September 30, 2015

	Connecticut Children's Medical Center	Effect of Adoption of ASC 958-20	Total	Connecticut Children's Specialty Group	Children's Fund	Eliminations	Total Consolidated
Revenues							
Patient service revenues	\$ 293,887,286	\$ -	\$ 293,887,286	\$ 49,883,185	\$ -	\$ -	\$ 343,770,471
Provision for bad debts	(852,481)	-	(852,481)	(1,667,600)	-	-	(2,520,081)
Patient service revenues, less provision for bad debts	293,034,805	-	293,034,805	48,215,585	-	-	341,250,390
Other revenues	3,320,641	-	3,320,641	5,702,400	4,942,214	(1,226,664)	12,738,591
Net assets released from restrictions for operations	15,485,926	-	15,485,926	-	126,482	-	15,612,408
Total revenues	311,841,372	-	311,841,372	53,917,985	5,068,696	(1,226,664)	369,601,389
Expenses							
Salaries	117,098,664	-	117,098,664	45,061,803	1,891,447	6,628,334	170,680,248
Benefits	29,255,836	-	29,255,836	10,351,445	585,390	1,524,518	41,717,189
Supplies and other	123,372,711	-	123,372,711	15,455,945	4,051,337	(9,379,516)	133,500,477
Depreciation and amortization	17,239,933	-	17,239,933	907,701	28,809	-	18,176,443
Interest	1,230,401	-	1,230,401	4,019	-	-	1,234,420
Total expenses	288,197,545	-	288,197,545	71,780,913	6,556,983	(1,226,664)	365,308,777
Income (loss) from operations	23,643,827	-	23,643,827	(17,862,928)	(1,488,287)	-	4,292,612
Other Income (Loss)							
Investment return, net	(367,232)	-	(367,232)	309,524	2,135,649	-	2,077,941
Income from trusts held by others	3,326,528	-	3,326,528	-	-	-	3,326,528
Loss on disposal of property, plant and equipment	(655,403)	-	(655,403)	-	-	-	(655,403)
Change in equity interest in net assets of the Foundation	-	2,197,421	2,197,421	-	-	-	2,197,421
Total other income (loss)	2,303,893	2,197,421	4,501,314	309,524	2,135,649	-	6,946,487
Excess (deficiency) of revenues over expenses	25,947,720	2,197,421	28,145,141	(17,553,404)	647,362	-	11,239,099

Connecticut Children's Medical Center and Subsidiaries

Consolidating Statements of Operations and Changes in Net Assets

Year Ended September 30, 2015

	Connecticut Children's Medical Center	Effect of Adoption of ASC 958-20	Total	Connecticut Children's Specialty Group	Children's Fund	Eliminations	Total Consolidated
Unrestricted Net Assets (continued)							
Excess (deficiency) of revenues over expenses (from previous page)	\$ 25,947,720	\$ 2,197,421	\$ 28,145,141	\$ (17,553,404)	\$ 647,362	\$ -	\$ 11,239,099
Transfer from affiliated organizations, net	(13,836,824)	-	(13,836,824)	12,927,434	-	-	(909,390)
Unrealized loss on investments	-	-	-	(326,677)	(3,525,449)	-	(3,852,126)
Net assets released from restrictions for capital	719,323	-	719,323	-	-	-	719,323
Change in funded status of pension and post-retirement plans	(6,921,768)	-	(6,921,768)	-	-	-	(6,921,768)
Change in equity interest in the net assets of the Foundation	-	(6,601,171)	(6,601,171)	-	-	-	(6,601,171)
Change in unrestricted net assets	<u>5,908,451</u>	<u>(4,403,750)</u>	<u>1,504,701</u>	<u>(4,952,647)</u>	<u>(2,878,087)</u>	<u>-</u>	<u>(6,326,033)</u>
Temporarily Restricted Net Assets							
Transfer from affiliated organization	7,849,025	-	7,849,025	-	-	-	7,849,025
Net assets released from restrictions for operations	(15,485,926)	-	(15,485,926)	-	(126,482)	-	(15,612,408)
Net assets released from restrictions for capital	(719,323)	-	(719,323)	-	-	-	(719,323)
Bequests, gifts and grants	11,726,856	-	11,726,856	-	123,000	-	11,849,856
Change in equity interest in the net assets of the Foundation	-	(125,653)	(125,653)	-	-	-	(125,653)
Change in temporarily restricted net assets	<u>3,370,632</u>	<u>(125,653)</u>	<u>3,244,979</u>	<u>-</u>	<u>(3,482)</u>	<u>-</u>	<u>3,241,497</u>
Permanently Restricted Net Assets							
Change in funds held in trust by others	(7,600,518)	-	(7,600,518)	-	-	-	(7,600,518)
Change in equity interest in the net assets of the Foundation	-	498,716	498,716	-	-	-	498,716
Change in permanently restricted net assets	<u>(7,600,518)</u>	<u>498,716</u>	<u>(7,101,802)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,101,802)</u>
Change in net assets	1,678,565	(4,030,687)	(2,352,122)	(4,952,647)	(2,881,569)	-	(10,186,338)
Net Assets (Deficiency) at Beginning of Year	<u>96,191,504</u>	<u>104,410,463</u>	<u>200,601,967</u>	<u>(7,011,659)</u>	<u>35,162,716</u>	<u>-</u>	<u>228,753,024</u>
Net Assets (Deficiency) at End of Year	<u>\$ 97,870,069</u>	<u>\$ 100,379,776</u>	<u>\$ 198,249,845</u>	<u>\$ (11,964,306)</u>	<u>\$ 32,281,147</u>	<u>\$ -</u>	<u>\$ 218,566,686</u>



Approval Process for Connecticut Children's Community Health Needs Assessment

Federal requirements related to community health needs assessments

- Every three years, Connecticut Children's must conduct a community health needs assessment which must be approved by the Board of Directors.
 - Board approval was given at the September 2013 meeting.
- Within six months of Board approval of the assessment, Connecticut Children's must develop an improvement plan which also requires Board approval.
 - The deadline for this approval is February 15, 2014. The proposed process is to seek approval of the Community Relations Committee on behalf of the Board, which can be reported to the full Board at the end of the month.

Connecticut Children's Improvement Plan

The Office for Community Child Health (OCCH) represents Connecticut Children's community health improvement plan. Connecticut Children's has taken its commitment to promoting children's healthy development to a new level through the establishment of OCCH, which serves as a coordinating entity for the Medical Center's existing community-oriented programs. It also functions as an incubator for innovative ideas that can broaden partnerships between the child health sector and other sectors that serve children and families to work toward systemic solutions to child health problems. Ultimately, OCCH will enable the Medical Center to play a role in optimizing the health of children across a broad array of community venues instead of simply preventing or treating disease.

Beyond serving as an explicit response to the results of the community health needs assessment, OCCH will provide Connecticut Children's with a foundation to operate effectively in the evolving healthcare marketplace where the expectation is that providers will keep people healthy rather than only treating them once they are sick. OCCH can also serve as a national model that permits children's hospitals to support community-based programs and promote each child's optimal healthy development.

Current OCCH activities

- Twelve programs housed in the Office of Community Child Health (OCCH) are doing community-level work.
 - The LAMPP Green and Healthy Homes Project positively impacts children's health by removing hazards and making their homes healthier, safer places to be.
 - Co-management programs improve children's health outcomes by teaming medical experts with pediatric primary care providers to make treatment more efficient for physicians, more comprehensive, and more convenient for families.
 - OCCH is developing and implementing tools that allow the programs to measure and report on their performance.
- OCCH has a contract with the City of Hartford to write the Maternal and Child Health blueprint with matching dollars from the Hartford Foundation for Public Giving.
- The State's early childhood systems grant initiative is being chaired by OCCH.
- The State Office of Early Childhood requested OCCH's assistance to build developmental screening into Connecticut's Race to the Top grant application.

Resolution for Board Approval

At the February 6, 2014 meeting of the Community Relations Committee, the following statement will be considered for approval.

On behalf of the Board of Directors of Connecticut Children's Medical Center, the Community Relations Committee hereby approves the designation of the Office for Community Child Health as the implementation plan for the Community Health Needs Assessment that was approved by the Board at the September 2013 meeting.

Progress made in addressing the unmet needs identified in our CHNA

Our CHNA was conducted in partnership with two other hospitals and the City of Hartford's Health and Human Service Department. This model identified two concerns related to children's health, and a number of issues that we have categorized under the term of *Social Determinants*. In the area of childhood asthma, we continue to work with pediatric practices throughout the state to help educate practices on asthma management, so that children are less reliant on using emergency departments for treatment. During the year we addressed this through our Easy Breathing Program, and Educating Practices in the Community (EPIC). We are monitoring our emergency department usage and have seen a reduction in children who come to our emergency department for asthma management.

We have addressed childhood obesity through our leadership with the Hartford Childhood Wellness Alliance (HCWA). This collaborative includes 77 individuals and organizations. While we recognize that measures of progress will be over a long period of time, a baseline measure that will be a part of HCWA's tool has used overweight and obesity measures for 1,700 Hartford pre-school children during 2014.

Some of the social determinants of health such as neighborhood safety, poor housing conditions, and employment opportunities are the focus of our neighborhood level work with our anchor institution partners at Southside Institution Neighborhood Alliance (SINA). We are addressing some housing needs by trying to eliminate blighted properties in the neighborhood and replacing them with homes that will be owner occupied. SINA partner's security forces have begun regular meetings with the police force in order to better address neighborhood safety concerns. We've also been in discussions with city and state partners about employment needs of neighborhood residents.

As our work in the community evolves, it is clear that we must take a different approach to assessing community need. Because we are a free-standing children's hospital we serve families from all over the state. We are located in the heart of one of Connecticut's poorest cities. We will be taking the approach with our next CHNA that will gather information on a rolling basis. We will utilize a number of components that meet the guidelines for conducting assessments, but we will be more focused on areas that will take advantage of our expertise and resources. One component, mentioned above, is with the development of the Hartford Blueprint for Women's and Children's Health. Another component will be utilizing school nurses throughout the state as our key informants. We will continue to communicate with other healthcare partners to both share information that we gather, but also learn from their assessments.