

Form **990**

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

OMB No. 1545-0047

2015

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2015 calendar year, or tax year beginning and ending

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 ADIRONDACK MEDICAL CENTER Doing business as		D Employer identification number 14-1731786
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite PO BOX 471, 2233 STATE ROUTE 86	E Telephone number 518-891-4141	
	City or town, state or province, country, and ZIP or foreign postal code SARANAC LAKE, NY 12983		G Gross receipts \$ 107,866,125.
	F Name and address of principal officer: TRISTAN GLANVILLE SAME AS C ABOVE		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶

I Tax-exempt status: 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527
J Website: ▶ WWW.ADIRONDACKHEALTH.ORG
K Form of organization: Corporation Trust Association Other ▶ **L Year of formation:** 1991 **M State of legal domicile:** NY

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: THE MEDICAL CENTER PROVIDES ACUTE, SKILLED NURSING AND OUTPATIENT SERVICES TO RESIDENTS OF THE
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.
	3	Number of voting members of the governing body (Part VI, line 1a) 3 15
	4	Number of independent voting members of the governing body (Part VI, line 1b) 4 12
	5	Total number of individuals employed in calendar year 2015 (Part V, line 2a) 5 1081
	6	Total number of volunteers (estimate if necessary) 6 48
	7a	Total unrelated business revenue from Part VIII, column (C), line 12 7a 0.
	7b	Net unrelated business taxable income from Form 990-T, line 34 7b 0.
Revenue	8	Contributions and grants (Part VIII, line 1h) 8 1,023,849. Prior Year 896,959. Current Year
	9	Program service revenue (Part VIII, line 2g) 9 95,496,380. Prior Year 103,069,385. Current Year
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) 10 185,586. Prior Year 4,694. Current Year
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 11 3,077,219. Prior Year 2,223,343. Current Year
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 12 99,783,034. Prior Year 106,194,381. Current Year
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3) 13 0. Prior Year 0. Current Year
	14	Benefits paid to or for members (Part IX, column (A), line 4) 14 0. Prior Year 0. Current Year
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 15 49,068,453. Prior Year 50,023,664. Current Year
	16a	Professional fundraising fees (Part IX, column (A), line 11e) 16a 0. Prior Year 0. Current Year
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 17 50,151,874. Prior Year 50,830,153. Current Year
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 18 99,220,327. Prior Year 100,853,817. Current Year
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12 19 562,707. Prior Year 5,340,564. Current Year
	20	Total assets (Part X, line 16) 20 67,040,883. Beginning of Current Year 70,141,172. End of Year
	21	Total liabilities (Part X, line 26) 21 27,469,311. Beginning of Current Year 25,520,087. End of Year
	22	Net assets or fund balances. Subtract line 21 from line 20 22 39,571,572. Beginning of Current Year 44,621,085. End of Year

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 TRISTAN GLANVILLE, CFO Type or print name and title		Date
	Print/Type preparer's name THOMAS J. GIUFRE	Preparer's signature THOMAS J. GIUFRE	Date Check if self-employed <input type="checkbox"/> PTIN P00841958
Preparer Use Only	Firm's name ▶ FUST CHARLES CHAMBERS LLP Firm's address ▶ 5784 WIDEWATERS PARKWAY SYRACUSE, NY 13214		Firm's EIN ▶ 16-1226221 Phone no. 315-446-3600

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission: THE MEDICAL CENTER PROVIDES ACUTE, SKILLED NURSING AND OUTPATIENT SERVICES TO RESIDENTS OF THE LOCAL GEOGRAPHICAL AREA.

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

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

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 \$ 21,621,702. including grants of \$) (Revenue \$ 27,527,762.) ADIRONDACK MEDICAL CENTER IS A 95-BED ACUTE CARE FACILITY IN SARANAC LAKE. IT PROVIDES A FULL RANGE OF INPATIENT SERVICES (SURGICAL, MATERNITY AND PEDIATRIC) AS WELL AS MAINTAINS A 60 BED LONG-TERM CARE FACILITY.

4b (Code:) (Expenses \$ 51,509,048. including grants of \$) (Revenue \$ 65,578,960.) REFERRED AMBULATORY, AMBULATORY SURGERY AND EMERGENCY SERVICES IN SARANAC LAKE, LAKE PLACID, TUPPER LAKE AND KEENE.

4c (Code:) (Expenses \$ 8,154,607. including grants of \$) (Revenue \$ 9,962,663.) DISCONTINUED OPERATIONS FROM UIHLEIN LIVING CENTER, FREE STANDING NURSING HOME THAT HAS 156 BEDS. SALE OCCURRED ON OCTOBER 4, 2016.

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$ 1,826,702.)

4e Total program service expenses 81,285,357.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in 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>		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

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
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>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Input box for Schedule O

Main table with columns for question number, description, and Yes/No checkboxes. Includes rows 1a-14b with various tax-related questions and numerical inputs like 264 and 1081.

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
	1a 15		
b	Enter the number of voting members included in line 1a, above, who are independent		
	1b 12		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	X	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	X	
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

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

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

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **NY**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 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: **TRISTAN GLANVILLE - 518-891-4141**
P.O. BOX 471, 2233 STATE ROUTE 86, SARANAC LAKE, NY 12983

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

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

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

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

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

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 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) JEANNIE CROSS CHAIR	1.00	X		X				0.	0.	0.
(2) BARRY BROGAN VICE CHAIR	1.00	X		X				0.	0.	0.
(3) CHERYL MAID SECRETARY/TREASURER	1.00	X		X				0.	0.	0.
(4) F. RAYMOND AGNEW TRUSTEE	1.00	X						0.	0.	0.
(5) PETER G. BEATTY, PHD TRUSTEE	1.00	X						0.	0.	0.
(6) CHARLES CARROLL TRUSTEE	1.00	X						0.	0.	0.
(7) BETH LAWYER TRUSTEE	1.00	X						0.	0.	0.
(8) PATRICIA MONROE, MD TRUSTEE	1.00	X						0.	0.	18,493.
(9) RANDY QUAYLE TRUSTEE	1.00	X						0.	0.	0.
(10) W. SCOTT MCGRAW AMC FOUNDATION CHAIR	1.00	X						0.	0.	0.
(11) WAGUIH KIROLLOS, MD EX-OFFICIO MEDICAL STAFF PRESIDENT	1.00	X						0.	0.	20,548.
(12) GERALD GOLDMAN TRUSTEE	1.00	X						0.	0.	0.
(13) DOUGLAS L. HOFFMAN, CPA TRUSTEE	1.00	X						0.	0.	0.
(14) REBECCA LEAHY TRUSTEE	1.00	X						0.	0.	0.
(15) RICHARD M. MOCCIA, MD TRUSTEE	1.00	X						38,341.	0.	37,397.
(16) CHANDLER M. RALPH EX-OFFICIO PRESIDENT/CEO	40.00			X				0.	0.	0.
(17) CHARLES GLANVILLE CFO	40.00			X				206,107.	0.	14,163.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) ANTHONY DOWIDOWICZ CMO	40.00				X			314,800.	0.	19,553.
(19) PATTI HAMMOND COO	40.00				X			207,289.	0.	13,368.
(20) LINDA MCCLARIGAN CNO	40.00				X			158,509.	0.	14,979.
(21) MARC WALKER CSSO	40.00				X			150,072.	0.	8,858.
(22) ANTHONY TRAMANTANO PHYSICIAN	40.00					X		456,615.	0.	19,635.
(23) JONATHAN KRANT PHYSICIAN	40.00					X		358,079.	0.	23,648.
(24) JOE CHOUFANI PHYSICIAN	40.00					X		323,234.	0.	8,178.
(25) MANDEEP SALUJA PHYSICIAN	40.00					X		289,801.	0.	18,179.
(26) DARCI BEIRAS PHYSICIAN	40.00					X		360,909.	0.	39,687.
1b Sub-total								2,863,756.	0.	256,686.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								2,863,756.	0.	256,686.

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 **71**

	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
PREMIER ANESTHESIA ON NEW YORK, P.C., 2655 NORTHWINDS PARKWAY, ALPHARETTA, GA 30368	PHYSICIAN FEES	785,434.
MATRIX HEALTH SYSTEMS 86 LAKE STREET, BURLINGTON, VT 05401	PHYSICIAN FEES	731,628.
HEALTHTECH MANAGEMENT SERVICES, INC, 405 DUKE DRIVE, SUITE 10, FRANKLIN, TN 37067	MANAGEMENT SERVICES	620,946.
INSIGHT HEALTH SERVICES CORP P.O. BOX 847689, DALLAS, TX 75284	MRI SERVICES	576,306.
LABORATORY CORPORATION OF AMERICA P.O. BOX 12140, BURLINGTON, NC 27216	LAB SERVICES	449,677.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **24**

Part VIII Statement of Revenue

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

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	561,408.				
	e Government grants (contributions)	1e	244,383.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	91,168.				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f			896,959.			
Program Service Revenue	2 a NET PATIENT SERVICE REVENUE	Business Code	900099	93,106,722.	93,106,722.		
	b UIHLEIN REVENUE- DISCONTINUED OPE		900099	9,962,663.	9,962,663.		
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			103,069,385.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			165,736.		165,736.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	(i) Real	396,641.				
		(ii) Personal					
		b Less: rental expenses	0.				
		c Rental income or (loss)	396,641.				
	d Net rental income or (loss)			396,641.		396,641.	
	7 a Gross amount from sales of assets other than inventory	(i) Securities	1,510,702.				
		(ii) Other					
		b Less: cost or other basis and sales expenses	1,668,979.	2,765.			
		c Gain or (loss)	-158,277.	-2,765.			
	d Net gain or (loss)			-161,042.		-161,042.	
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
		b Less: direct expenses					
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses						
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold						
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code				
11 a PURCHASE DISCOUNTS		900099	233,144.	233,144.			
b DIETARY REVENUE		900099	156,361.	156,361.			
c REBATES & REFUNDS		900099	17,228.	17,228.			
d All other revenue		900099	1,419,969.	1,419,969.			
e Total. Add lines 11a-11d			1,826,702.				
12 Total revenue. See instructions.			106,194,381.	104,896,087.	0.	401,335.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,222,475.	173,487.	1,048,988.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	41,034,018.	33,969,171.	7,064,847.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,089,452.	900,780.	188,672.	
9 Other employee benefits	3,742,821.	3,061,694.	681,127.	
10 Payroll taxes	2,934,898.	2,380,779.	554,119.	
11 Fees for services (non-employees):				
a Management	620,946.		620,946.	
b Legal	169,351.		169,351.	
c Accounting	147,730.		147,730.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	9,816,654.	5,760,218.	4,056,436.	
12 Advertising and promotion	218,344.	3,275.	215,069.	
13 Office expenses	1,289,187.	550,684.	738,503.	
14 Information technology				
15 Royalties				
16 Occupancy	1,433,183.		1,433,183.	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	273,515.	163,801.	109,714.	
20 Interest	482,167.	482,167.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,810,852.	3,810,852.		
23 Insurance	692,490.		692,490.	
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 MEDICAL SUPPLIES	15,239,297.	15,228,402.	10,895.	
b UIHLEIN EXPENSES- DISCO	8,154,607.	8,154,607.		
c OTHER EXPENSE	3,519,141.	1,810,367.	1,708,774.	
d BAD DEBT	3,370,731.	3,370,731.	0.	
e All other expenses	1,591,958.	1,464,342.	127,616.	
25 Total functional expenses. Add lines 1 through 24e	100,853,817.	81,285,357.	19,568,460.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

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

		(A)		(B)		
		Beginning of year		End of year		
Assets	1 Cash - non-interest-bearing	7,780,194.	1	8,132,804.		
	2 Savings and temporary cash investments		2			
	3 Pledges and grants receivable, net		3			
	4 Accounts receivable, net	11,745,763.	4	13,510,782.		
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5			
	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 instr). Complete Part II of Sch L		6			
	7 Notes and loans receivable, net		7			
	8 Inventories for sale or use	2,137,353.	8	2,894,858.		
	9 Prepaid expenses and deferred charges	4,562,669.	9	2,734,588.		
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 92,840,678.				
	b Less: accumulated depreciation	10b 67,685,302.	27,068,660.	10c	25,155,376.	
	11 Investments - publicly traded securities	12,225,412.	11	16,382,873.		
	12 Investments - other securities. See Part IV, line 11		12			
	13 Investments - program-related. See Part IV, line 11		13			
	14 Intangible assets		14			
	15 Other assets. See Part IV, line 11	1,520,832.	15	1,329,891.		
16 Total assets. Add lines 1 through 15 (must equal line 34)	67,040,883.	16	70,141,172.			
Liabilities	17 Accounts payable and accrued expenses	11,571,913.	17	10,413,220.		
	18 Grants payable		18			
	19 Deferred revenue	653,305.	19	562,453.		
	20 Tax-exempt bond liabilities		20			
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21			
	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		22			
	23 Secured mortgages and notes payable to unrelated third parties	11,250,598.	23	10,533,360.		
	24 Unsecured notes and loans payable to unrelated third parties	933,000.	24	933,000.		
	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	3,060,495.	25	3,078,054.		
	26 Total liabilities. Add lines 17 through 25	27,469,311.	26	25,520,087.		
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	38,575,946.	27	43,621,452.		
	28 Temporarily restricted net assets	60,564.	28	64,571.		
	29 Permanently restricted net assets	935,062.	29	935,062.		
	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	39,571,572.	33	44,621,085.			
34 Total liabilities and net assets/fund balances	67,040,883.	34	70,141,172.			

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	106,194,381.
2	Total expenses (must equal Part IX, column (A), line 25)	2	100,853,817.
3	Revenue less expenses. Subtract line 2 from line 1	3	5,340,564.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	39,571,572.
5	Net unrealized gains (losses) on investments	5	-327,917.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	36,866.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	44,621,085.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
2b	Were the organization's financial statements audited by an independent accountant?	X	
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
If the organization changed either its oversight process or selection process during the tax year, explain 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?		X
3b	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		

Form 990 (2015)

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

2015

Open to Public Inspection

Name of the organization ADIRONDACK MEDICAL CENTER	Employer identification number 14-1731786
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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 (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An 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 (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge ...						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources ...						
9 Net income from unrelated business activities, whether or not the business is regularly carried on ...						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2015 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2014 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2015. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2014. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2015. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2014. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

(Complete only if you checked the box on line 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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(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**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2015 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2014 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2015 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2014 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2015. 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 - 2014. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

Part IV Supporting Organizations

(Complete only if you checked a box in line 11 on 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 (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

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

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? 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.		
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? 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.		

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)? 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).		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
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? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
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? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

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.		
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? 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.	Yes	No
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? 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.		
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? Provide details in Part VI .		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		

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).		

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 2015 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-2015	(iii) Distributable Amount for 2015
1 Distributable amount for 2015 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2015 (reasonable cause required-see instructions)			
3 Excess distributions carryover, if any, to 2015:			
a			
b			
c			
d From 2013			
e From 2014			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2015 distributable amount			
i Carryover from 2010 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2015 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2015 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2015, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6 Remaining underdistributions for 2015. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7 Excess distributions carryover to 2016. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a			
b			
c Excess from 2013			
d Excess from 2014			
e Excess from 2015			

Schedule A (Form 990 or 990-EZ) 2015

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2015

Name of the organization

ADIRONDACK MEDICAL CENTER

Employer identification number

14-1731786

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

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

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

General Rule

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

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2015)

Name of organization ADIRONDACK MEDICAL CENTER	Employer identification number 14-1731786
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	<hr/> <hr/> <hr/>	\$ 561,408.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	<hr/> <hr/> <hr/>	\$ 244,383.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	<hr/> <hr/> <hr/>	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	<hr/> <hr/> <hr/>	\$ 43,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization ADIRONDACK MEDICAL CENTER	Employer identification number 14-1731786
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Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____

Name of organization ADIRONDACK MEDICAL CENTER	Employer identification number 14-1731786
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Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

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

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No. 1545-0047

2015

Open to Public Inspection

Name of the organization ADIRONDACK MEDICAL CENTER **Employer identification number** 14-1731786

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

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

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

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

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

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

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

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

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

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

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

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

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

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

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

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

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

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

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

b Assets included in Form 990, Part X

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

Schedule D (Form 990) 2015

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11-02-15

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" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

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

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	995,626.	992,079.	991,415.	987,179.	987,165.
b Contributions					
c Net investment earnings, gains, and losses	4,007.	3,547.	4,116.	4,236.	4,018.
d Grants or scholarships					
e Other expenditures for facilities and programs			3,452.		-4,004.
f Administrative expenses					
g End of year balance	999,633.	995,626.	992,079.	991,415.	987,179.

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 93.54 %
- c Temporarily restricted endowment 6.46 %

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

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

	Yes	No
(i) unrelated organizations		X
(ii) related organizations		X
b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?		

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

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		328,567.		328,567.
b Buildings		44,133,345.	26,519,921.	17,613,424.
c Leasehold improvements				
d Equipment		46,590,881.	40,173,404.	6,417,477.
e Other		1,787,885.	991,977.	795,908.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				25,155,376.

Part VII Investments - Other Securities.

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

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

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

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

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DEBT-CURRENT	658,545.
(3) RESIDENT FUNDS LIABILITY	70,923.
(4) ASSET RETIREMENT AND OTHER LT	1,056,029.
(5) ESTIMATED THIRD PARTY LIABILITY	1,292,557.
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	3,078,054.

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" on Form 990, Part IV, line 12a.

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

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

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

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

Part XIII Supplemental Information.

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

PART V, LINE 4:

THE SYSTEM'S ENDOWMENTS CONSIST OF FUNDS ESTABLISHED FOR A VARIETY OF PURPOSES. ITS ENDOWMENTS INCLUDE DONOR-RESTRICTED ENDOWMENT FUNDS AND FUNDS DESIGNATED BY THE BOARD OF TRUSTEES TO FUNCTION AS AN ENDOWMENT. AS REQUIRED BY GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, NET ASSETS ASSOCIATED WITH ENDOWMENT FUNDS, INCLUDING FUNDS DESIGNATED BY THE BOARD OF TRUSTEES TO FUNCTION AS ENDOWMENTS, ARE CLASSIFIED AND REPORTED BASED ON THE EXISTENCE OR ABSENCE OF DONOR-IMPOSED RESTRICTIONS. TEMPORARILY RESTRICTED FUNDS ARE AVAILABLE FOR NURSING EDUCATION & OTHER PROGRAMS. PERMANENTLY RESTRICTED FUNDS ARE TO BE HELD IN PERPETUITY, THE INCOME FROM WHICH IS EXPENDABLE FOR VARIOUS HEALTHCARE SERVICES.

Part XIII Supplemental Information (continued)

PART X, LINE 2:

ADIRONDACK HEALTH IS A NOT-FOR-PROFIT CORPORATION AND IS AN EXEMPT ORGANIZATION QUALIFIED UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. ADIRONDACK HEALTH HAS BEEN CLASSIFIED BY THE INTERNAL REVENUE SERVICE (IRS) AS AN ENTITY THAT IS NOT A PRIVATE FOUNDATION.

THE STANDARDS FOR ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES ESTABLISH A RECOGNITION THRESHOLD AND MEASUREMENT FOR INCOME TAX POSITIONS RECOGNIZED IN ADIRONDACK HEALTH'S CONSOLIDATED FINANCIAL STATEMENTS. THESE STANDARDS HAD NO IMPACT ON THE ACCOMPANYING FINANCIAL STATEMENTS.

THE TAX YEARS OPEN TO EXAMINATION BY FEDERAL AND STATE TAXING AUTHORITIES ARE 2012 THROUGH 2015.

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2015

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organization answered "Yes" on 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.

Open to Public Inspection

Name of the organization **ADIRONDACK MEDICAL CENTER** Employer identification number **14-1731786**

Part I Financial Assistance and Certain Other Community Benefits at Cost

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

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

7 Financial Assistance and Certain Other Community Benefits at Cost

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			63,821.	5,425.	58,396.	.06%
b Medicaid (from Worksheet 3, column a)			23493034.	19797551.	3695483.	3.79%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			23556855.	19802976.	3753879.	3.85%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			61,566.	0.	61,566.	.06%
f Health professions education (from Worksheet 5)			794,902.	0.	794,902.	.82%
g Subsidized health services (from Worksheet 6)			10108283.	8522314.	1585969.	1.63%
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			2,532.	0.	2,532.	.00%
j Total. Other Benefits			10967283.	8522314.	2444969.	2.51%
k Total. Add lines 7d and 7j			34524138.	28325290.	6198848.	6.36%

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 FACILITY REPORTING GROUP - A

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1, 2

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> 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	
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	X	
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>WWW.ADIRONDACKHEALTH.ORG</u>		
b <input type="checkbox"/> Other website (list url): _____		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input 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>13</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>WWW.ADIRONDACKHEALTH.ORG</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		X
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
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 FACILITY REPORTING GROUP - A

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:		
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>150</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 checked="" type="checkbox"/> Insurance status		
f <input checked="" 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?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input type="checkbox"/> Other (describe in Section C)		
16 Included measures to publicize the policy within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>WWW.ADIRONDACKHEALTH.ORG</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>WWW.ADIRONDACKHEALTH.ORG</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>WWW.ADIRONDACKHEALTH.ORG</u>		
d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g <input checked="" type="checkbox"/> Notice of availability of the FAP was conspicuously displayed throughout the hospital facility		
h <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i <input 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 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 FACILITY REPORTING GROUP - A

	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?		X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
a <input type="checkbox"/> Reporting to credit agency(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> 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 checked="" 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?	21	X	
If "No," indicate why:			
a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions			
b <input type="checkbox"/> The hospital facility's policy was not in writing			
c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)			
d <input type="checkbox"/> Other (describe in Section C)			

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 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 checked="" 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?	23		X
If "Yes," explain in Section C.			
24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	24		X
If "Yes," explain in Section C.			

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. FACILITY REPORTING GROUP A

FACILITY REPORTING GROUP A CONSISTS OF:

- FACILITY 1: ADIRONDACK MEDICAL CENTER
- FACILITY 2: ADIRONDACK MEDICAL CENTER-LAKE PLACID

GROUP A-FACILITY 1 -- ADIRONDACK MEDICAL CENTER

PART V, SECTION B, LINE 5: ADIRONDACK MEDICAL CENTER AND OUR COLLABORATING PARTNERS, COUNTY PUBLIC HEALTH DEPARTMENTS AND REGIONAL HOSPITALS, WORKED THROUGH THE ADIRONDACK RURAL HEALTH NETWORK (ARHN) TO CONDUCT A SURVEY THAT GAVE US INPUT FROM PERSONS WHO REPRESENT THE BROAD INTEREST OF THE COMMUNITY WE SERVE. ARHN ENGAGED THE CENTER FOR HUMAN SERVICES RESEARCH (CHSR) AT THE UNIVERSITY AT ALBANY, STATE UNIVERSITY OF NEW YORK TO WORK WITH A SUBCOMMITTEE TO DEVELOP THE SURVEY.

THE SURVEY WAS ADMINISTERED ELECTRONICALLY USING A WEB-BASED SURVEY PROGRAM AND DISTRIBUTED TO A REGIONAL EMAIL CONTACT LIST OF 624. ULTIMATELY, 285 SURVEYS WERE COMPLETED DURING THE SIX-WEEK SURVEY PERIOD, A RESPONSE RATE OF 45.7 PERCENT. OF ALL 285 RESPONSES, 86 INDICATED THAT ESSEX COUNTY WAS PART OF THEIR SERVICE AREA AND 83 INDICATED THAT FRANKLIN COUNTY WAS PART OF THEIR SERVICE AREA; HOWEVER, IT SHOULD BE NOTED THAT MANY OF THE RESPONDING HEALTH CARE STAKEHOLDERS SERVICE MULTIPLE COUNTIES WITHIN THE LARGER ARHN REGION.

SURVEY PARTICIPANTS REPRESENTED A DIVERSE ARRAY OF DIFFERENT AGENCIES, POPULATION GROUPS, AND SERVICE-AREAS WITHIN THE OVERALL EIGHT-COUNTY ARHN REGION. BELOW, TABLE A.1 SHOWS THE PRIMARY FUNCTIONS SELECTED BY RESPONDENTS AND TABLE A.2 SHOWS THE POPULATIONS THAT THEIR AGENCIES SERVE.

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.

HEALTH CARE AND EDUCATIONAL AGENCIES ARE WELL REPRESENTED, AND THE MAJORITY PROVIDES SERVICES TO CHILDREN AND ADOLESCENTS, AS WELL AS PEOPLE LIVING AT OR NEAR THE POVERTY LEVEL.

TABLE A.1. PRIMARY FUNCTIONS INDICATED BY SURVEY RESPONDENTS

ORGANIZATION PRIMARY FUNCTION / PERCENT OF ALL APPLICANTS

HEALTH CARE / 36.8

EDUCATION / 36.5

BEHAVIORAL HEALTH / 17.5

HEALTHY ENVIRONMENT / 14.7

EARLY CHILDHOOD SVCS. / 14.4

SOCIAL SERVICES / 11.9

SENIOR SERVICES / 11.2

OTHER SERVICES / 9.1

DEVELOPMENTAL DISABILITY SVCS. / 8.4

EMPLOY & TRAINING / 8.4

HOUSING SERVICES / 8.1

STI/HIV PREVENTION / 6.0

PHYSICAL DISABILITY SVCS. / 4.9

GOVERNMENT AGENCY / 2.1

TESTING AND PREVENTION / 2.1

NOTE: RESPONDENTS COULD SELECT MORE THAN ONE PRIMARY FUNCTION.

TABLE A.2. POPULATIONS SERVED BY SURVEY RESPONDENT AGENCIES

POPULATION SERVED / PERCENT OF ALL RESPONDENTS

CHILDREN/ADOLESCENTS / 59.6

PEOPLE LIVING AT OR NEAR POVERTY LEVEL / 50.9

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.

SENIORS/ELDERLY / 44.9

PEOPLE WITH DISABILITIES / 38.9

PEOPLE WITH MENTAL HEALTH ISSUES / 32.3

WOMEN OF REPRODUCTIVE AGE / 31.9

PEOPLE WITH SUBSTANCE ABUSE ISSUES / 25.6

SPECIFIC HEALTH CONDITION OR DISEASE / 24.6

FARMERS / 14.0

MIGRANT WORKERS / 11.2

OTHER / 10.5

SPECIFIC RACIAL OR ETHNIC GROUPS / 8.4

SPECIFIC GEOGRAPHIC AREA / 5.3

EVERYONE / 5.3

SPECIFIC AGE GROUP / 3.5

NOTE: RESPONDENTS COULD SELECT MULTIPLE POPULATIONS

GROUP A-FACILITY 1 -- ADIRONDACK MEDICAL CENTER

PART V, SECTION B, LINE 6A: OUR COMMUNITY HEALTH NEEDS ASSESSMENT WAS CONDUCTED WITH OUR PARTNERS ESSEX COUNTY PUBLIC HEALTH, FRANKLIN COUNTY PUBLIC HEALTH, ALICE HYDE MEDICAL CENTER, ELIZABETHTOWN COMMUNITY HOSPITAL, MOSES LUDINGTON HOSPITAL, AND ADIRONDACK RURAL HEALTH NETWORK.

GROUP A-FACILITY 1 -- ADIRONDACK MEDICAL CENTER

PART V, SECTION B, LINE 11: ADIRONDACK HEALTH STRIVES TO MEET AS MANY OF THE HEALTH NEEDS OF OUR COMMUNITY MEMBERS AS POSSIBLE. IN MANY CASES, WE PARTNER WITH APPROPRIATE ORGANIZATIONS AND AGENCIES TO ADDRESS NEEDS THAT ADIRONDACK HEALTH DOES NOT. ON INITIATIVES THAT ARE NOT HOSPITAL-LED, ADIRONDACK HEALTH PARTNERS AND WORKS WITH THE LOCAL HEALTH DEPARTMENTS,

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.

SOCIAL SERVICES, BEHAVIORAL HEALTH PROVIDERS, SUBSTANCE ABUSE PREVENTION AND TREATMENT PROVIDERS, HOME CARE, AND MANY OTHERS TO INSURE THAT THE NEEDS OF OUR COMMUNITY MEMBERS ARE MET.

THE FOLLOWING ARE THE NYS PREVENTION AGENDA ITEMS THAT ADIRONDACK HEALTH DOES NOT DIRECTLY ADDRESS IN OUR IMPLEMENTATION STRATEGY:

PROMOTE A HEALTHY AND SAFE ENVIRONMENT

FOCUS AREA: INJURIES, VIOLENCE AND OCCUPATIONAL HEALTH

THE RATE OF CRIME AND ASSAULT ARE LOW IN ADIRONDACK HEALTH'S SERVICE AREA. FALLS IN THE HOME AND OCCUPATIONAL HEALTH ARE ISSUES THAT COMMUNITY PARTNERS ARE BETTER POSITIONED TO ADDRESS.

FOCUS AREA: OUTDOOR AIR AND WATER QUALITY

THE AIR AND WATER QUALITY INDICATORS ARE GOOD. DATA INDICATES THAT IT IS ONLY A FEW DAYS EACH YEAR THAT OUTDOOR AIR QUALITY IS POOR, AND THE LIKELY CAUSE OF THIS IS INDUSTRIAL POLLUTION FROM THE MID- WEST CARRIED HERE ON THE JET STREAM. ADIRONDACK HEALTH DOES NOT HAVE A STRATEGY TO DIRECTLY ADDRESS THIS AT THIS TIME, BUT NATIONAL GROUPS HAVE MADE PROGRESS AND ARE STILL WORKING TO IMPROVE OUTPUTS FROM THESE INDUSTRIAL AREAS.

FOCUS AREA: BUILT ENVIRONMENT

IN OUR SERVICE AREA, MUCH OF THIS WORK IS BEING DONE BY COALITIONS TO WHICH ADIRONDACK HEALTH BELONGS. THE COALITIONS, LED BY PUBLIC HEALTH AND THE NORTH COUNTRY HEALTHY HEART NETWORK, ARE WORKING TOWARD PASSING COMPLETE STREETS POLICIES, IMPROVING PARKS AND OTHER RECREATIONAL AREAS, PASSING TOBACCO FREE GROUNDS POLICIES, IMPROVING ACCESS TO FRESH FRUITS

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.

AND VEGETABLES IN STORES AND RESTAURANTS, AND OTHER PROJECTS THAT IMPROVE ACCESS TO HEALTHY FOODS AND IMPROVE THE BUILT ENVIRONMENT SO COMMUNITY MEMBERS OF ALL LEVELS OF MOBILITY CAN FEEL SAFE AS PEDESTRIANS AND USING ALTERNATIVE FORMS OF TRANSPORTATION.

PREVENT HIV/STDS, VACCINE-PREVENTABLE DISEASE AND HEALTHCARE ASSOCIATED INFECTIONS

FOCUS AREA: PREVENT HIV AND STDS

THE RATE OF HIV IS EXTREMELY LOW IN ADIRONDACK HEALTH'S SERVICE AREA. ADIRONDACK HEALTH'S PROVIDERS CONTINUE TO WORK WITH PUBLIC HEALTH AND OTHER PROVIDERS TO DELIVER THE HIGHEST LEVEL OF CARE TO PATIENTS WITH HIV.

GROUP A-FACILITY 1 -- ADIRONDACK MEDICAL CENTER

PART V, SECTION B, LINE 22D: SELF-PAY PATIENTS THAT VISITED OUR MEDICAID SCREENER, AND WERE NOT DETERMINED TO BE FAP-ELIGIBLE, RECEIVED A 30% DISCOUNT. THOSE WHO WERE FAP-ELIGIBLE WERE WRITTEN OFF AT 100%.

GROUP A-FACILITY 2 -- ADIRONDACK MEDICAL CENTER - LAKE PLACID

PART V, SECTION B, LINE 5: ADIRONDACK MEDICAL CENTER AND OUR COLLABORATING PARTNERS, COUNTY PUBLIC HEALTH DEPARTMENTS AND REGIONAL HOSPITALS, WORKED THROUGH THE ADIRONDACK RURAL HEALTH NETWORK (ARHN) TO CONDUCT A SURVEY THAT GAVE US INPUT FROM PERSONS WHO REPRESENT THE BROAD INTEREST OF THE COMMUNITY WE SERVE. ARHN ENGAGED THE CENTER FOR HUMAN SERVICES RESEARCH (CHSR) AT THE UNIVERSITY AT ALBANY, STATE UNIVERSITY OF NEW YORK TO WORK WITH A SUBCOMMITTEE TO DEVELOP THE SURVEY.

THE SURVEY WAS ADMINISTERED ELECTRONICALLY USING A WEB-BASED SURVEY

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.

PROGRAM AND DISTRIBUTED TO A REGIONAL EMAIL CONTACT LIST OF 624.

ULTIMATELY, 285 SURVEYS WERE COMPLETED DURING THE SIX-WEEK SURVEY PERIOD, A RESPONSE RATE OF 45.7 PERCENT. OF ALL 285 RESPONSES, 86 INDICATED THAT ESSEX COUNTY WAS PART OF THEIR SERVICE AREA AND 83 INDICATED THAT FRANKLIN COUNTY WAS PART OF THEIR SERVICE AREA; HOWEVER, IT SHOULD BE NOTED THAT MANY OF THE RESPONDING HEALTH CARE STAKEHOLDERS SERVICE MULTIPLE COUNTIES WITHIN THE LARGER ARHN REGION.

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ORGANIZATION PRIMARY FUNCTION / PERCENT OF ALL APPLICANTS

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EARLY CHILDHOOD SVCS. / 14.4

SOCIAL SERVICES / 11.9

SENIOR SERVICES / 11.2

OTHER SERVICES / 9.1

DEVELOPMENTAL DISABILITY SVCS. / 8.4

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.

EMPLOY & TRAINING / 8.4

HOUSING SERVICES / 8.1

STI/HIV PREVENTION / 6.0

PHYSICAL DISABILITY SVCS. / 4.9

GOVERNMENT AGENCY / 2.1

TESTING AND PREVENTION / 2.1

NOTE: RESPONDENTS COULD SELECT MORE THAN ONE PRIMARY FUNCTION.

TABLE A.2. POPULATIONS SERVED BY SURVEY RESPONDENT AGENCIES

POPULATION SERVED / PERCENT OF ALL RESPONDENTS

CHILDREN/ADOLESCENTS / 59.6

PEOPLE LIVING AT OR NEAR POVERTY LEVEL / 50.9

SENIORS/ELDERLY / 44.9

PEOPLE WITH DISABILITIES / 38.9

PEOPLE WITH MENTAL HEALTH ISSUES / 32.3

WOMEN OF REPRODUCTIVE AGE / 31.9

PEOPLE WITH SUBSTANCE ABUSE ISSUES / 25.6

SPECIFIC HEALTH CONDITION OR DISEASE / 24.6

FARMERS / 14.0

MIGRANT WORKERS / 11.2

OTHER / 10.5

SPECIFIC RACIAL OR ETHNIC GROUPS / 8.4

SPECIFIC GEOGRAPHIC AREA / 5.3

EVERYONE / 5.3

SPECIFIC AGE GROUP / 3.5

NOTE: RESPONDENTS COULD SELECT MULTIPLE POPULATIONS

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.

GROUP A-FACILITY 2 -- ADIRONDACK MEDICAL CENTER - LAKE PLACID

PART V, SECTION B, LINE 6A: OUR COMMUNITY HEALTH NEEDS ASSESSMENT WAS CONDUCTED WITH OUR PARTNERS ESSEX COUNTY PUBLIC HEALTH, FRANKLIN COUNTY PUBLIC HEALTH, ALICE HYDE MEDICAL CENTER, ELIZABETHTOWN COMMUNITY HOSPITAL, MOSES LUDINGTON HOSPITAL, AND ADIRONDACK RURAL HEALTH NETWORK.

GROUP A-FACILITY 2 -- ADIRONDACK MEDICAL CENTER - LAKE PLACID

PART V, SECTION B, LINE 11: ADIRONDACK HEALTH STRIVES TO MEET AS MANY THE HEALTH NEEDS OF OUR COMMUNITY MEMBERS AS POSSIBLE. IN MANY CASES, WE PARTNER WITH APPROPRIATE ORGANIZATIONS AND AGENCIES TO ADDRESS NEEDS THAT ADIRONDACK HEALTH DOES NOT. ON INITIATIVES THAT ARE NOT HOSPITAL-LED, ADIRONDACK HEALTH PARTNERS AND WORKS WITH THE LOCAL HEALTH DEPARTMENTS, SOCIAL SERVICES, BEHAVIORAL HEALTH PROVIDERS, SUBSTANCE ABUSE PREVENTION AND TREATMENT PROVIDERS, HOME CARE, AND MANY OTHERS TO INSURE THAT THE NEEDS OF OUR COMMUNITY MEMBERS ARE MET.

THE FOLLOWING ARE THE NYS PREVENTION AGENDA ITEMS THAT ADIRONDACK HEALTH DOES NOT DIRECTLY ADDRESS IN OUR IMPLEMENTATION STRATEGY:

PROMOTE A HEALTHY AND SAFE ENVIRONMENT

FOCUS AREA: INJURIES, VIOLENCE AND OCCUPATIONAL HEALTH

THE RATE OF CRIME AND ASSAULT ARE LOW IN ADIRONDACK HEALTH'S SERVICE AREA. FALLS IN THE HOME AND OCCUPATIONAL HEALTH ARE ISSUES THAT COMMUNITY PARTNERS ARE BETTER POSITIONED TO ADDRESS.

FOCUS AREA: OUTDOOR AIR AND WATER QUALITY

THE AIR AND WATER QUALITY INDICATORS ARE GOOD. DATA INDICATES THAT IT IS

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.

ONLY A FEW DAYS EACH YEAR THAT OUTDOOR AIR QUALITY IS POOR, AND THE LIKELY CAUSE OF THIS IS INDUSTRIAL POLLUTION FROM THE MID- WEST CARRIED HERE ON THE JET STREAM. ADIRONDACK HEALTH DOES NOT HAVE A STRATEGY TO DIRECTLY ADDRESS THIS AT THIS TIME, BUT NATIONAL GROUPS HAVE MADE PROGRESS AND ARE STILL WORKING TO IMPROVE OUTPUTS FROM THESE INDUSTRIAL AREAS.

FOCUS AREA: BUILT ENVIRONMENT

IN OUR SERVICE AREA, MUCH OF THIS WORK IS BEING DONE BY COALITIONS TO WHICH ADIRONDACK HEALTH BELONGS. THE COALITIONS, LED BY PUBLIC HEALTH AND THE NORTH COUNTRY HEALTHY HEART NETWORK, ARE WORKING TOWARD PASSING COMPLETE STREETS POLICIES, IMPROVING PARKS AND OTHER RECREATIONAL AREAS, PASSING TOBACCO FREE GROUNDS POLICIES, IMPROVING ACCESS TO FRESH FRUITS AND VEGETABLES IN STORES AND RESTAURANTS, AND OTHER PROJECTS THAT IMPROVE ACCESS TO HEALTHY FOODS AND IMPROVE THE BUILT ENVIRONMENT SO COMMUNITY MEMBERS OF ALL LEVELS OF MOBILITY CAN FEEL SAFE AS PEDESTRIANS AND USING ALTERNATIVE FORMS OF TRANSPORTATION.

PREVENT HIV/STDS, VACCINE-PREVENTABLE DISEASE AND HEALTHCARE ASSOCIATED INFECTIONS

FOCUS AREA: PREVENT HIV AND STDS

THE RATE OF HIV IS EXTREMELY LOW IN ADIRONDACK HEALTH'S SERVICE AREA. ADIRONDACK HEALTH'S PROVIDERS CONTINUE TO WORK WITH PUBLIC HEALTH AND OTHER PROVIDERS TO DELIVER THE HIGHEST LEVEL OF CARE TO PATIENTS WITH HIV.

GROUP A-FACILITY 2 -- ADIRONDACK MEDICAL CENTER - LAKE PLACID

PART V, SECTION B, LINE 22D: SELF-PAY PATIENTS THAT VISITED OUR MEDICAID SCREENER, AND WERE NOT DETERMINED TO BE FAP-ELIGIBLE, RECEIVED A 30%

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.

DISCOUNT. THOSE WHO WERE FAP-ELIGIBLE WERE WRITTEN OFF AT 100%.

Multiple horizontal lines for providing supplemental information.

Part V Facility Information (continued)

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

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

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

Name and address	Type of Facility (describe)
1 TUPPER LAKE MEDICAL OFFICE BUILDING 7 STETSON ROAD TUPPER LAKE, NY 12986	CLINIC; LABORATORY; RADIOLOGY
2 MOUNTAIN HEALTH CENTER 2841 NYS ROUTE 73 KEENE, NY 12942	CLINIC
3 UIHLEIN LIVING CENTER 185 OLD MILITARY ROAD LAKE PLACID, NY 12946	NURSING HOME WITH 156 BEDS
4 MERCY LIVING CENTER 114 WAWBEEK AVENUE TUPPER LAKE, NY 12986	NURSING HOME WITH 60 BEDS; DIALYSIS, REHABILITATION
5 LAKE PLACID HEALTH CENTER 29 CHURCH STREET LAKE PLACID, NY 12946	CLINIC; ER; LABORATORY; RADIOLOGY; REHABILITATION
6 WOUND CARE MEDICAL OFFICE BUILDING 285 COUNTY ROUTE 47 SARANAC LAKE, NY 12983	CLINIC, PRIMARY CARE HEALTH CENTER

Part VI Supplemental Information

Provide the following information.

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

PART I, LINE 7:

AMOUNTS CALCULATED USING COST-TO-CHARGE RATIO FROM WORKSHEET 2 (TOTAL OPERATING EXPENSE MINUS MEDICAID/PROVIDER TAXES, TOTAL COMMUNITY BENEFIT EXPENSE, AND TOTAL COMMUNITY BUILDING EXPENSE DIVIDED BY GROSS PATIENT CHARGES), AND ADDRESSES ALL PATIENT SEGMENTS.

PART I, LINE 7, COLUMN (F):

THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25(A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS \$ 3,370,731.

PART II, COMMUNITY BUILDING ACTIVITIES:

THE CEO ATTENDED ADIRONDACK HEALTH INSTITUTE MEETINGS. AHI IS A REGIONAL ORGANIZATION THAT INCLUDES THE TRI-LAKES, PLATTSBURGH, AND GLENS FALLS COMMUNITIES WHOSE PURPOSE IS TO IMPROVE THE OVERALL HEALTH OF THESE ADIRONDACK COMMUNITIES BY WORKING TOGETHER ON A REGIONAL BASIS. THE CHIEF MEDICAL OFFICER SPENT TIME AT A LOCAL IRON MAN COMPETITION TO PROVIDE MEDICAL COVERAGE OF THE ATHLETES AND PROMOTE HEALTHY EXERCISE ROUTINES.

Part VI Supplemental Information (Continuation)

PART III, LINE 2:

THE ORGANIZATION'S BAD DEBT EXPENSE OF \$1,472,018 IS CALCULATED USING THE COST-TO-CHARGE RATIO FROM WORKSHEET 2 AND BAD DEBT EXPENSE.

PART III, LINE 3:

THE ORGANIZATION'S BAD DEBT EXPENSE IS CALCULATED USING A PERCENTAGE OF BAD DEBT THAT CONTAINS POSSIBLE CHARITY CARE CASES AND APPLYING IT TO LINE 2. RATIONALE FOR WHAT PORTION OF BAD DEBT SHOULD CONSTITUTE COMMUNITY BENEFIT: THE PROVISION OF HEALTH CARE IS DIFFERENT FROM PROVIDING OTHER SERVICES, IN THAT HOSPITALS, ALTHOUGH THEY MAY ATTEMPT TO OBTAIN FINANCIAL INFORMATION BEFORE SERVICE IS PROVIDED, FOCUS ON PROVIDING THE PATIENT WITH NEEDED HEALTH CARE AND LATER TRY TO OBTAIN PAYMENT. IN OTHER INDUSTRIES, THE SERVICE PROVIDER CAN CHECK THE CUSTOMER'S CREDIT RATING, ASK FOR PAYMENT IN ADVANCE, ETC AND IS USUALLY ASKING THIS INFORMATION WHEN THE CONSUMER IS NOT IN A HEALTH CRISIS AND UNDER GREAT STRESS AND WORRY. AT A LATER TIME, WHEN THE PROVIDER ATTEMPTS TO COLLECT PAYMENT AND FINDS THE PATIENT UNWILLING TO PAY, THEIR OPTIONS ARE AGAIN LIMITED GIVEN THE NATURE OF THE SERVICE PROVIDED AND THE INABILITY TO REPOSSESS THE SERVICE.

PART III, LINE 4:

IN EVALUATING THE COLLECTIBILITY OF PATIENT ACCOUNTS RECEIVABLE, ADIRONDACK HEALTH ANALYZES PAST PAYMENT HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND PROVISION FOR BAD DEBTS. FOR RECEIVABLES ASSOCIATED WITH PATIENTS WHO HAVE THIRD-PARTY COVERAGE, ADIRONDACK HEALTH ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN

Part VI Supplemental Information (Continuation)

ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND A PROVISION FOR BAD DEBTS, IF NECESSARY. FOR RECEIVABLES ASSOCIATED WITH SELF-PAY PATIENTS (WHICH INCLUDES BOTH PATIENTS WITHOUT INSURANCE AND PATIENTS WITH DEDUCTIBLE AND COPAYMENT BALANCES DUE FOR WHICH THIRD-PARTY COVERAGE EXISTS FOR PART OF THE BILL), ADIRONDACK HEALTH RECORDS A PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS PAST EXPERIENCE, WHICH INDICATES THAT MANY PATIENTS ARE UNABLE OR UNWILLING TO PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE. THE DIFFERENCE BETWEEN THE STANDARD RATES (OR THE DISCOUNT RATES IF NEGOTIATED) AND THE AMOUNTS ACTUALLY COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS CHARGED OFF AGAINST THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS.

PART III, LINE 8:

CALCULATED USING COST-TO-CHARGE RATIO FROM WORKSHEET 2 AND APPLYING IT TO GROSS MEDICARE CHARGES. SHORTFALL SHOULD BE TREATED AS A COMMUNITY BENEFIT BECAUSE MEDICARE PATIENT SERVICES ARE PROVIDED AT A COST THAT IS GREATER THAN REIMBURSEMENT.

PART III, LINE 9B:

ACCORDING TO OUR CHARITY CARE POLICY, THE LARGEST NUMBER OF OUR FAP-ELIGIBLE PATIENTS ARE WRITTEN-OFF AT 100% SO NO COLLECTION EFFORTS ARE NECESSARY.

PART VI, LINE 2:

ADIRONDACK MEDICAL CENTER USES A NUMBER OF ASSESSMENT METHODS TO DETERMINE HOW WELL WE ARE MEETING COMMUNITY NEEDS AND WHAT ADDITIONAL SERVICES WE CAN OFFER OUR COMMUNITY MEMBERS.

Part VI Supplemental Information (Continuation)

AMC USES THE PRESS-GANEY PATIENT SATISFACTION SURVEY FOR CONTINUAL PATIENT FEEDBACK. THE SURVEYS ARE MAILED TO RANDOMLY SELECTED PATIENTS BY PRESS-GANEY, A NATIONALLY RECOGNIZED PATIENT SURVEY FIRM, AND PRESS-GANEY PROCESSES THE RESULTS. THEY GIVE AMC THE RESULTS BENCHMARKED AGAINST OTHER HOSPITALS TO HELP US UNDERSTAND HOW WELL WE ARE SERVING OUR COMMUNITY.

THE MAJORITY OF AMC'S STRATEGIC INITIATIVES ARE DRIVEN BY A THREE-YEAR STRATEGIC PLAN, WHICH IS DEVELOPED THROUGH THE COLLABORATION OF THE BOARD, MEDICAL STAFF, AMC STAFF AND COMMUNITY MEMBERS. THE GOALS THAT ARE SET FORTH EVERY THREE YEARS IN THE STRATEGIC PLAN ARE INCORPORATED INTO AMC'S MANAGEMENT ACTION PLAN (MAP), WHICH IS REVIEWED AND REVISED EACH YEAR. AT THE BEGINNING OF EACH YEAR EVERY DEPARTMENT CREATES A MAP THAT OUTLINES THE CONCRETE STEPS THAT THE DEPARTMENT WILL ACCOMPLISH IN MOVING THE HOSPITAL CLOSER TO COMPLETING THE STRATEGIC PLAN GOALS. THE SUCCESS OF AMC, EACH DEPARTMENT, AND EACH EMPLOYEE IS MEASURED BY THE MAP AND THE PROGRESS MADE TOWARD ACCOMPLISHING THE GOALS SET OUT IN THE STRATEGIC PLAN.

FOR NEW SERVICES, AMC STAFF DEVELOPS A NEEDS ASSESSMENT USING A VARIETY OF DATA INCLUDING REGIONAL DEMAND FOR THE SPECIFIC SERVICE, DEMOGRAPHICS, AND FINANCIAL ANALYSIS. THE BOARD OF TRUSTEES CAREFULLY REVIEWS THE ANALYSIS AND EITHER SUPPORTS THE RECOMMENDATION OR ASKS FOR FURTHER INFORMATION.

PART VI, LINE 3:

ANY PATIENT THAT CONTACTS SCHEDULING OR PRESENTS TO ANY AMC DEPARTMENT (INCLUDING ADMITTING, EMERGENCY ROOM, ETC.) THAT DOES NOT IDENTIFY AN INSURANCE COMPANY OR IDENTIFIES THEMSELVES AS SELF-PAY ARE INFORMED OF OUR SELF-PAY PROCESS. THIS PROCESS INCLUDES INFORMATION ABOUT AMC'S CHARITY

Part VI Supplemental Information (Continuation)

CARE POLICY AND THE BENEFITS OF VISITING WITH A CERTIFIED FACILITATED ENROLLER WHO CAN CHECK THE PATIENT'S ELIGIBILITY FOR STATE AND FEDERAL HEALTH INSURANCE PROGRAMS.

PART VI, LINE 4:

ADIRONDACK MEDICAL CENTER IS LOCATED IN THE HEART OF THE ADIRONDACK PARK IN RURAL, UPSTATE NEW YORK. THE ADIRONDACK PARK IS A UNIQUE, SIX MILLION ACRE PATCHWORK OF PUBLIC AND PRIVATE LAND. IT IS BEST KNOWN FOR ITS MOUNTAINS - THE HIGHEST IN NEW YORK STATE - AND ITS LAKES. THE REGION HAS AN AVERAGE SEASONAL SNOWFALL IN EXCESS OF 90 INCHES AND THE AVERAGE MEAN TEMPERATURE IN JANUARY IS 16 DEGREES FAHRENHEIT.

AMC IS DESIGNATED A SOLE COMMUNITY PROVIDER HOSPITAL WITH THE CLOSEST COMPARABLE FACILITY 50 MILES AWAY FROM OUR MAIN CAMPUS IN SARANAC LAKE. AMC IS AN INTEGRAL PART OF THE COMMUNITY AS THE ONLY ACUTE CARE FACILITY, THE PREDOMINANT PROVIDER OF AMBULATORY SERVICES, AND THE LARGEST PRIVATE EMPLOYER IN THE SIX MILLION ACRE ADIRONDACK PARK. AMC PROVIDES CARE FOR 71.2% OF THE 24,266 RESIDENTS IN OUR PRIMARY SERVICE AREA AND 24.5% OF THE 12,100 RESIDENTS IN OUR SECONDARY SERVICE AREA. THIS SERVICE AREA COVERS OVER 1,200 SQUARE MILES, HAS AN AVERAGE OF JUST OVER 30 PEOPLE PER SQUARE MILE, AND INCLUDES PORTIONS OF 5 COUNTIES.

THE HOSPITAL'S SERVICE AREA IS DESIGNATED AS THE FOLLOWING FEDERAL HEALTH PROFESSIONAL SHORTAGE AREAS (HPSA):

- PRIMARY CARE
- DENTAL
- PSYCHIATRY

Part VI Supplemental Information (Continuation)

AMC IS SERVING AN AGING POPULATION WITH HIGH CANCER AND CHRONIC DISEASE RATES, AND VERY LOW INCOME LEVELS. THE PERCENTAGE OF THE POPULATION THAT FALLS INTO THE "BABY BOOMER" AGE GROUP, 55-64 YEARS OF AGE, IS INCREASING, WITH A CORRESPONDING DECREASE IN YOUNGER AGE GROUPS.

THE AVERAGE UNEMPLOYMENT RATE IN 2015 FOR NEW YORK STATE WAS 5.7% AND THE UNEMPLOYMENT RATES IN THE COUNTIES THAT WE SERVE WERE 1.3 TO 1.5 PERCENTAGE POINTS ABOVE THAT AVERAGE. THE NYS DEPARTMENT OF LABOR INDICATES THAT THE PER CAPITA INCOME FOR THE COUNTIES THAT AMC SERVES IS APPROXIMATELY 35% BELOW THE STATE AVERAGE.

PART VI, LINE 5:

AS THE LARGEST EMPLOYER AND ONLY FULL SERVICE HOSPITAL IN THE ADIRONDACK PARK, AMC IS AN IMPORTANT PARTNER IN COMMUNITY BUILDING ACTIVITIES THAT PROMOTE THE HEALTH OF OUR COMMUNITY MEMBERS, INCLUDING:

- COLLABORATION WITH THE NORTH COUNTRY HEALTHY HEART NETWORK TO IDENTIFY AND REFER PATIENTS WITH PREDIABETES IN TUPPER LAKE
- NEW YORK STATE PERINATAL QUALITY COLLABORATIVE SAFE SLEEP PROJECT TO REDUCE SUDDEN INFANT DEATH SYNDROME
- IMPLEMENTED A WOMEN'S HEALTH NAVIGATOR TO AID WOMEN AND THEIR FAMILIES THROUGH THE HEALTH CARE SYSTEM. ALSO CREATED A COMMUNITY WOMEN'S HEALTH GUIDEBOOK AS A COMMUNITY RESOURCE
- PARTICIPATING IN DSRIP (DELIVERY SYSTEM REFORM INCENTIVE PAYMENT) WITH SIX PROJECTS ALL OF WHICH ARE PART OF A COMPREHENSIVE PROGRAM TO REDUCE MEDICAID HOSPITAL ADMISSIONS AND EMERGENCY DEPARTMENT ADMISSIONS BY 5% PER YEAR
- OVER THE NEXT FIVE YEARS, IN OUR SERVICE AREA ALONE, OVER 800 HOMES WILL BENEFIT FROM INITIATIVES TO PROVIDE HEALTHCARE IN THE HOME VIA EITHER

Part VI Supplemental Information (Continuation)

TELEMEDICINE BY THE PATIENT THEMSELVES OR WITH THE ASSISTANCE OF HOME HEALTHCARE WORKERS; AND EDUCATION AND LIFESTYLE CHANGES FOR DISEASE PREVENTION. PROJECT TEAMS HAVE BEEN ESTABLISHED AND INITIAL DATA ANALYSIS HAVE BEEN SUBMITTED TO MEET MILESTONES

-IN LATE 2014, ADIRONDACK HEALTH BEGAN MEETING WITH TRANSGENDER ADVOCATES IN THE COMMUNITY AS A RESULT OF THEM NOT FEELING WELCOME AT OUR FACILITY. AT THAT TIME, REPRESENTATIVES OF ADMINISTRATION BEGAN MEETING WITH THE LGBTQ COMMUNITY MEMBERS TO PUT A PLAN TOGETHER FOR EDUCATION OF STAFF AND PHYSICIANS, IN ORDER TO RESPECTFULLY TREAT LGBTQ PATIENTS IN OUR SYSTEM. DURING 2015, SEVERAL EDUCATIONAL PROGRAMS WERE HELD WITH EMPLOYEES AND PHYSICIANS TO EDUCATE THEM ON THE ISSUES THAT LGBTQ PATIENTS FACE, THEIR SPECIFIC HEALTHCARE NEEDS, AND HOW AH HAD MADE CHANGES TO POLICIES/PROTOCOLS TO ASSURE THAT MEMBERS OF THE LGBTQ COMMUNITY WERE TREATED RESPECTFULLY AND APPROPRIATELY AT AH. THIS WAS A HUGE SUCCESS, AND IN 2016, MORE EDUCATIONAL PROGRAMS WILL BE CONDUCTED IN THE COMMUNITY TO CONTINUE EDUCATIONAL EFFORTS

-FOUR COMMUNITY FORUMS WERE HELD IN LATE 2015 CONDUCTED BY OUR CEO TO CONVENE COMMUNITY STAKEHOLDERS TO ENGAGE IN ROBUST DISCUSSIONS ON EMERGING HEALTHCARE TRENDS. ADIRONDACK HEALTH IS COMMITTED TO LISTEN AND LEARN TO GAIN A SHARED UNDERSTANDING OF THE IMPACT THAT HEALTH AND HEALTHCARE HAS ON THE COMMUNITY. FURTHER DIALOGUE WAS ENCOURAGED BY BOTH ADIRONDACK HEALTH AND THE COMMUNITY

PART VI, LINE 6:

THE ORGANIZATION IS NOT PART OF AN AFFILIATED HEALTH CARE SYSTEM.

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

NY

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

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

2015

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

▶ Attach to Form 990.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization **ADIRONDACK MEDICAL CENTER** Employer identification number **14-1731786**

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <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	1b	
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?	2	X
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"/> Independent compensation consultant <input checked="" type="checkbox"/> Form 990 of other organizations <input checked="" type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization: a Receive a severance payment or change-of-control payment?	4a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	X
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: a The organization?	5a	X
b Any related organization?	5b	X
If "Yes" to line 5a or 5b, describe in Part III.		
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: a The organization?	6a	X
b Any related organization?	6b	X
If "Yes" on line 6a or 6b, describe in Part III.		
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7	X
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

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

Schedule J (Form 990) 2015

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

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that 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 on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) CHARLES GLANVILLE CFO	(i)	206,107.	0.	0.	5,400.	8,763.	220,270.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) ANTHONY DOWIDOWICZ CMO	(i)	314,800.	0.	0.	10,517.	9,036.	334,353.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) PATTI HAMMOND COO	(i)	207,289.	0.	0.	5,033.	8,335.	220,657.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) LINDA MCCLARIGAN CNO	(i)	158,509.	0.	0.	6,200.	8,779.	173,488.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) MARC WALKER CSSO	(i)	150,072.	0.	0.	1,475.	7,383.	158,930.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) ANTHONY TRAMANTANO PHYSICIAN	(i)	456,615.	0.	0.	10,600.	9,035.	476,250.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) JONATHAN KRANT PHYSICIAN	(i)	358,079.	0.	0.	10,600.	13,048.	381,727.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) JOE CHOUFANI PHYSICIAN	(i)	323,234.	0.	0.	937.	7,241.	331,412.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) MANDEEP SALUJA PHYSICIAN	(i)	289,801.	0.	0.	10,363.	7,816.	307,980.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) DARCI BEIRAS PHYSICIAN	(i)	360,909.	0.	0.	27,723.	11,964.	400,596.	94,617.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART 1 LINE 4B

THE HOSPITAL HAS A DEFERRED COMPENSATION PLAN FOR PARTICIPATING
PHYSICIANS WHO PROVIDE SERVICES THROUGH THE HOSPITAL'S "ON-CALL"
PROGRAM.

PATRICIA MONROE, MD HAD \$18,493 CONTRIBUTED TO THIS DEFERRED
COMPENSATION PLAN ON HER BEHALF IN 2015.

RICHARD MOCCIA, MD RECEIVED \$38,341 FROM THIS DEFERRED COMPENSATION
PLAN AND \$37,397 WAS CONTRIBUTED TO THIS DEFERRED COMPENSATION PLAN ON
HIS BEHALF IN 2015.

WAGUIH KIROLLOS, MD HAD \$20,548 CONTRIBUTED TO THIS DEFERRED
COMPENSATION PLAN ON HIS BEHALF IN 2015.

DARCI BEIRAS, MD RECEIVED \$94,617 FROM THIS DEFERRED COMPENSATION PLAN
AND \$19,315 WAS CONTRIBUTED TO THIS DEFERRED COMPENSATION PLAN ON HER
BEHALF IN 2015.

Supplemental Information on Tax-Exempt Bonds

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

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

Name of the organization **ADIRONDACK MEDICAL CENTER** Employer identification number **14-1731786**

Part I	Bond Issues	SEE PART VI FOR COLUMN (F) CONTINUATIONS												
		(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	FRANKLIN COUNTY CIVIC DEVELOPMENT CO	80-0627350	NONE	11/02/12	10999965.	MULTI-MODE REVENUE BONDS FOR	X			X			X
	B													
	C													
	D													

Part II	Proceeds	A		B		C		D	
1	Amount of bonds retired	9,272,033.							
2	Amount of bonds legally defeased								
3	Total proceeds of issue	1,587,879.							
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	140,053.							
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	1,502,594.							
11	Other spent proceeds	85,285.							
12	Other unspent proceeds								
13	Year of substantial completion								
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?	X							
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

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

Part III Private Business Use (Continued)

	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							
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?	X							
c Are there any research agreements that may result in private business use of bond-financed property?		X						
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government00 %							
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 government00 %							
6 Total of lines 4 and 500 %							
7 Does the bond issue meet the private security or payment test?		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						
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X						

Part IV Arbitrage

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

Part IV Arbitrage (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?		X						
7 Has the organization established written procedures to monitor the requirements of section 148?		X						

Part V Procedures To Undertake Corrective Action

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

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

SCHEDULE K, PART I, BOND ISSUES:

(A) ISSUER NAME: FRANKLIN COUNTY CIVIC DEVELOPMENT CO

(F) DESCRIPTION OF PURPOSE:

MULTI-MODE REVENUE BONDS FOR CAPITAL PROJECTS- REFINANCE

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.

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

OMB No. 1545-0047

2015

Open to Public
Inspection

Name of the organization

ADIRONDACK MEDICAL CENTER

Employer identification number

14-1731786

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

LOCAL GEOGRAPHIC REGION.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

MISCELLANEOUS PROGRAM SERVICE REVENUE DERIVED FROM SUPPORT OF
ADIRONDACK MEDICAL CENTER, INCLUDING: DIETARY REVENUE, REBATES AND
REFUNDS, PURCHASE DISCOUNTS AND OTHER REVENUE.

EXPENSES \$ 0. INCLUDING GRANTS OF \$ 0. REVENUE \$ 1,826,702.

FORM 990, PART VI, SECTION A, LINE 3:

IN 2015 ADIRONDACK MEDICAL CENTER CONTRACTED WITH HEALTHTECH MANAGEMENT
SERVICES, AND PAID \$620,946. THIS INCLUDES A CEO LEASE AGREEMENT AND A
CONSULTING CONTRACT.

FORM 990, PART VI, SECTION A, LINE 4:

THE BOARD OF TRUSTEE TERMS CHANGED FROM TWO YEAR TO STAGGERED TERMS OF ONE,
TWO, OR THREE YEARS. THE BYLAWS WERE ALSO UPDATED TO REFLECT CHANGES IN THE
RESPONSIBILITIES OF THE AUDIT AND COMPLIOANCE COMMITTEE, TO ENHANCE
COMPLIANCE WITH THE NEW YORK STATE NONPROFIT REVITALIZATION ACT.

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

THE 990 IS PRESENTED AND REVIEWED BY THE BOARD OF TRUSTEES PRIOR TO FILING
THE 990.

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

ALL MEMBERS OF THE BOARD OF TRUSTEES ARE REQUIRED TO COMPLETE AND SIGN

Name of the organization ADIRONDACK MEDICAL CENTER	Employer identification number 14-1731786
---	--

CONFLICT OF INTEREST STATEMENTS ANNUALLY. THESE ARE THEN REVIEWED BY THE
AUDIT AND COMPLIANCE COMMITTEE.

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

COMPENSATION DECISIONS ARE DEVELOPED BASED ON THE USE OF NATIONAL,
REGIONAL, AND HEALTHTECH SALARY SURVEY DATA WHICH IS ANALYZED BY THE
COMPENSATION COMMITTEE AND THEN APPROVED BY THE FULL BOARD.

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

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT INTEREST POLICY,
AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

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

NET CHANGE IN GIFT SHOP NET ASSETS 36,866.

FORM 990, PART XII, LINE 2C:

THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

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

OMB No. 1545-0047

2015

Open to Public
Inspection

Name of the organization

ADIRONDACK MEDICAL CENTER

Employer identification number

14-1731786

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
ADIRONDACK MEDICAL CENTER FOUNDATION - 16-1528554, P.O. BOX 471 LAKE COLBY DRIVE, SARANAC LAKE, NY 12983	SUPPORT AND ASSIST ADIRONDACK MEDICAL CENTER	NEW YORK	501(C)3	BOX 11	ADIRONDACK MEDICAL CENTER		X
ADIRONDACK HEALTH REGIONAL MEDICAL, P.C. - 47-5676016, P.O. BOX 471, 2233 STATE ROUTE 86, SARANAC LAKE, NY 12983	SUPPORT AND ASSIST ADIRONDACK MEDICAL CENTER	NEW YORK	501(C)3	BOX 11	ADIRONDACK MEDICAL CENTER		X

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

Schedule R (Form 990) 2015

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
TRUDEAU HEALTH SYSTEMS, LLC - 14-1788211 PO BOX 471, 2233 STATE ROUTE 86 SARANAC LAKE, NY 12983	CONTACTING - HEALTH SERVICES	NY	AMC AND TRUDEAU HEALTH SYSTEMS	C CORP		10,115.	50.00%		X
TRUDEAU HEALTH SYSTEMS, IPA - 14-1795284 PO BOX 471, 2233 STATE ROUTE 86 SARANAC LAKE, NY 12983	CONTACTING - HEALTH SERVICES	NY	AMC AND TRUDEAU HEALTH SYSTEMS	C CORP			50.00%		X

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

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

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

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

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

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

Part VII Supplemental Information

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

Multiple horizontal lines for providing supplemental information.

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

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

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

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

Enter filer's identifying number, see instructions

Type or print <small>File by the due date for filing your return. See instructions.</small>	Name of exempt organization or other filer, see instructions. ADIRONDACK MEDICAL CENTER	Employer identification number (EIN) or 14-1731786
	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 471, 2233 STATE ROUTE 86	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SARANAC LAKE, NY 12983	

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

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

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

TRISTAN GLANVILLE - P.O. BOX 471, 2233 STATE ROUTE 86 -

- The books are in the care of **SARANAC LAKE, NY 12983**
Telephone No. **518-891-4141** Fax No. _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **NOVEMBER 15, 2016**.

5 For calendar year **2015**, or other tax year beginning _____, and ending _____.

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

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

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

Signature and Verification must be completed for Part II only.

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

Signature Title **CFO** Date

Electronic Filing PDF Attachment

**ADIRONDACK MEDICAL CENTER
d/b/a ADIRONDACK HEALTH
AND SUBSIDIARY**

Consolidated Financial Statements
and Supplementary Information

December 31, 2015 and 2014

**ADIRONDACK MEDICAL CENTER
d/b/a ADIRONDACK HEALTH
AND SUBSIDIARY**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Adirondack Medical Center
d/b/a Adirondack Health and Subsidiary:

We have audited the accompanying consolidated financial statements of Adirondack Medical Center d/b/a Adirondack Health and Subsidiary, which comprise the consolidated balance sheets as of December 31, 2015 and 2014, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 consolidated financial statements.

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

The Board of Trustees
Page 2 of 2

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Adirondack Medical Center d/b/a Adirondack Health and Subsidiary as of December 31, 2015 and 2014, and the results of their operations, changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Fust Charles Chambers LLP

March 28, 2016

ADIRONDACK MEDICAL CENTER
d/b/a ADIRONDACK HEALTH
AND SUBSIDIARY

Consolidated Balance Sheets

December 31, 2015 and 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 9,297,926	7,876,607
Patient accounts receivable, net of estimated uncollectible of approximately \$3,058,000 in 2015 and \$2,849,000 in 2014	12,168,515	10,731,162
Other receivables	999,975	1,334,357
Inventories	2,894,858	2,137,353
Prepaid expenses and other current assets	2,908,930	4,699,715
Investments	13,155,748	8,794,239
Equipment held for sale	398,733	421,872
	<hr/>	<hr/>
Total current assets	41,824,685	35,995,305
Assets limited as to use	15,005,874	14,181,480
Investments	2,149,326	3,680,765
Pledges receivable, net of estimated uncollectible of approximately \$75,000 in 2015	1,698,484	-
Resident funds	70,923	77,265
Other receivables	1,342,267	1,014,601
Property and equipment, net	24,756,643	26,646,788
Deferred financing costs, net of accumulated amortization of approximately \$86,000 in 2015 and \$62,000 in 2014	210,068	234,782
	<hr/>	<hr/>
	\$ <u>87,058,270</u>	<u>81,830,986</u>

<u>Liabilities and Net Assets</u>	<u>2015</u>	<u>2014</u>
Current liabilities:		
Current portion of long-term debt	\$ 658,545	736,989
Accounts payable and current accrued expenses	2,906,573	2,923,178
Accrued salaries, wages, and related items	5,464,944	6,773,851
Deferred revenue	562,453	653,305
Advances from and note payable to third-party reimbursement agencies	933,000	933,000
Estimated third-party payor settlements, net	1,292,557	1,202,307
Other current liabilities	699,436	872,766
	<hr/>	<hr/>
Total current liabilities	12,517,508	14,095,396
Long-term debt, net of current portion	10,533,360	11,250,598
Asset retirement obligation	1,056,029	1,043,934
Resident funds	70,923	77,265
Other liabilities	1,342,267	1,014,601
	<hr/>	<hr/>
Total liabilities	25,520,087	27,481,794
Net assets:		
Unrestricted	57,599,879	53,307,012
Temporarily restricted	2,957,127	61,003
Permanently restricted	981,177	981,177
	<hr/>	<hr/>
Total net assets	61,538,183	54,349,192
Commitments and contingencies (note 11)		
Total liabilities and net assets	\$ <u>87,058,270</u>	<u>81,830,986</u>

See accompanying notes to the consolidated financial statements.

ADIRONDACK MEDICAL CENTER
d/b/a ADIRONDACK HEALTH
AND SUBSIDIARY

Consolidated Statements of Operations and Changes in Net Assets

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenues, gains and other support:		
Patient service revenue (net of contractual allowances and discounts)	\$ 93,106,720	89,073,783
Provision for bad debts	(3,370,731)	(3,382,130)
Net patient service revenue less provision for bad debts	<u>89,735,989</u>	<u>85,691,653</u>
Other operating revenue	<u>3,051,484</u>	<u>4,300,097</u>
Total revenues, gains and other support	<u>92,787,473</u>	<u>89,991,750</u>
Expenses:		
Salaries and wages	42,070,803	40,368,776
Fringe benefits	7,838,092	8,706,048
Supplies	17,054,693	15,719,322
Purchased services	9,426,688	9,185,996
Utilities	1,632,844	2,071,005
Physicians fees	1,442,773	1,226,708
Leases and rentals	1,141,185	1,139,392
Repairs and maintenance	467,506	386,933
Insurance	692,490	841,546
Depreciation and amortization	3,810,852	4,214,722
Interest	482,167	530,605
Other	<u>3,900,404</u>	<u>3,425,853</u>
Total expenses	<u>89,960,497</u>	<u>87,816,906</u>
Income from operations	2,826,976	2,174,844
Gain (loss) from operations of discontinued component - Uihlein Living Center (note 3)	<u>1,808,056</u>	<u>(2,249,248)</u>
Net income (loss) from operations	4,635,032	(74,404)
Nonoperating revenues (expenses):		
Investment income, net	635,320	1,105,399
Loss on disposal of property and equipment	<u>(2,765)</u>	<u>(4,114)</u>
Excess of revenues over expenses	5,267,587	1,026,881
Contributions of property and equipment	76,767	86,313
Change in net unrealized gains and losses on investments	(1,051,487)	(253,726)
Other	<u>-</u>	<u>(15,415)</u>
Increase in unrestricted net assets	<u>4,292,867</u>	<u>844,053</u>
Temporarily restricted net assets:		
Investment income, net	4,666	4,486
Contributions for capital campaign	2,967,020	-
Provision for bad debts	(75,062)	-
Net assets released from restrictions	<u>(500)</u>	<u>(500)</u>
Increase in temporarily restricted net assets	<u>2,896,124</u>	<u>3,986</u>
Permanently restricted net assets:		
Contributions	-	700
Other	<u>-</u>	<u>15,415</u>
Increase in permanently restricted net assets	<u>-</u>	<u>16,115</u>
Increase in net assets	<u>7,188,991</u>	<u>864,154</u>
Net assets at beginning of year	<u>54,349,192</u>	<u>53,485,038</u>
Net assets at end of year	<u>\$ 61,538,183</u>	<u>\$ 54,349,192</u>

See accompanying notes to consolidated financial statements.

ADIRONDACK MEDICAL CENTER
d/b/a ADIRONDACK HEALTH
AND SUBSIDIARY

Consolidated Statements of Cash Flows

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Change in net assets	\$ 8,711,748	1,054,295
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	3,810,852	4,214,722
Change in net unrealized gains and losses on investments	927,647	266,528
Realized gains on investments	(237,288)	(831,666)
Donated securities	-	(21,063)
Loss on disposal of property and equipment	2,765	4,114
Provision for bad debts	3,370,731	3,382,130
Accretion of asset retirement obligation	12,095	49,711
Contributions of property and equipment	(76,767)	(86,313)
Restricted contributions	(2,891,958)	(700)
Changes in operating assets and liabilities:		
Patient accounts receivable	(4,830,517)	(2,079,897)
Other receivables	97,517	1,376,160
Inventories	(748,145)	(52,522)
Prepaid expenses and other current assets	1,715,203	(809,030)
Accounts payable and accrued expenses	18,232	11,332
Accrued salaries, wages and related items	(1,105,185)	140,810
Deferred revenue	(90,852)	(919,097)
Estimated third-party payor settlements, net	91,745	(1,136,954)
Other liabilities	84,049	(742,508)
	<hr/>	<hr/>
Net cash provided by operating activities - continuing operations	8,861,872	3,820,052
Net cash provided by (used in) operating activities - discontinued operations	(1,497,921)	611,031
	<hr/>	<hr/>
Net cash provided by operating activities	7,363,951	4,431,083
	<hr/>	<hr/>
Cash flows from investing activities:		
Purchases of assets limited as to use and investments, net	(5,859,954)	(5,282,184)
Proceeds from sale of property and equipment	1,219	-
Purchases of property and equipment	(2,051,055)	(1,638,370)
	<hr/>	<hr/>
Net cash used in investing activities - continuing operations	(7,909,790)	(6,920,554)
Net cash provided by (used in) investing activities - discontinued operations	1,492,599	(550,815)
	<hr/>	<hr/>
Net cash used in investing activities	(6,417,191)	(7,471,369)
	<hr/>	<hr/>

**ADIRONDACK MEDICAL CENTER
d/b/a ADIRONDACK HEALTH
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Consolidated Statements of Cash Flows, Continued

	<u>2015</u>	<u>2014</u>
Cash flows from financing activities:		
Contribution of property and equipment	76,767	86,313
Restricted contributions	1,193,474	700
Principal payments on long-term debt	<u>(795,682)</u>	<u>(1,337,771)</u>
Net cash provided by (used in) financing activities - continuing operations	474,559	(1,250,758)
Net cash used in financing activities - discontinued operations	<u>-</u>	<u>-</u>
Net cash provided by (used in) financing activities	<u>474,559</u>	<u>(1,250,758)</u>
Increase (decrease) in cash and cash equivalents	1,421,319	(4,291,044)
Cash and cash equivalents at beginning of year	<u>7,876,607</u>	<u>12,167,651</u>
Cash and cash equivalents at end of year	9,297,926	7,876,607
Less cash and cash equivalents of discontinued operations at end of year	<u>(114,816)</u>	<u>(120,138)</u>
Cash and cash equivalents of continuing operations at end of year	<u>\$ 9,183,110</u>	<u>7,756,469</u>

See accompanying notes to consolidated financial statements.

**ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

December 31, 2015 and 2014

(1) Description of Organization and Principles of Consolidation

Adirondack Medical Center d/b/a Adirondack Health, located in Saranac Lake, New York, is a not-for-profit organization incorporated in the State of New York. Adirondack Medical Center d/b/a Adirondack Health provides acute, skilled nursing and outpatient services to residents of the Adirondack region.

Adirondack Medical Center Foundation d/b/a Adirondack Health Foundation (Foundation) is a not-for-profit organization incorporated in the State of New York. The Foundation provides funds to Adirondack Medical Center d/b/a Adirondack Health generated primarily through fundraising activities and investment income. Adirondack Medical Center d/b/a Adirondack Health is the sole corporate member of the Foundation.

Adirondack Health Regional Medical, P.C. (Corporation) is a captive professional corporation which is controlled by Adirondack Medical Center d/b/a Adirondack Health through shareholder and management agreements. The Corporation provides medical care to the community served by Adirondack Medical Center d/b/a Adirondack Health.

The consolidated financial statements (collectively “Adirondack Health”) include the accounts of Adirondack Medical Center d/b/a Adirondack Health, Foundation and the Corporation. All significant inter-entity transactions and balances among Adirondack Health’s entities in the consolidated financial statements have been eliminated.

(2) Summary of Significant Accounting Policies

(a) Use of Estimates

The preparation of consolidated financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management of Adirondack Health to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash and interest-bearing deposits with original maturities of three months or less, excluding assets limited as to use. Adirondack Health maintains its cash and cash equivalents in bank accounts, which, at times, may exceed the Federal Deposit Insurance Company limits.

**ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(c) Net Patient Service Revenue and Patient Accounts Receivable

Net Patient Service Revenue

Adirondack Health has agreements with third-party payors that provide for payments at amounts different from their established rates. Payment arrangements include prospectively determined rates per discharge or visit, cost-based reimbursement, discounted charges, per diem payments and fee-for-service payments. Adirondack Health recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered, including estimated retroactive adjustments due to future audits, reviews and investigations. Retroactive adjustments are included in the recognition of patient service revenue on an estimated basis in the period the related services are rendered and adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews and investigations. For uninsured patients that do not qualify for charity care, Adirondack Health recognizes revenue on the basis of its standard rates for services provided. On the basis of historical experience, a significant portion of Adirondack Health's uninsured patients will be unable or unwilling to pay for the services provided. Thus, Adirondack Health records a provision for bad debts related to uninsured patients in the period the services are provided. Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts) from these major payor sources, is as follows for the year ended December 31:

	2015		
	Third-party payors	Self-pay	Total
Patient service revenue (net of contractual allowances and discounts)	\$ 89,859,923	3,246,797	93,106,720
	2014		
	Third-party payors	Self-pay	Total
Patient service revenue (net of contractual allowances and discounts)	\$ 85,946,217	3,127,566	89,073,783

**ADIRONDACK MEDICAL CENTER
d/b/a ADIRONDACK HEALTH
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Notes to Consolidated Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(c) Net Patient Service Revenue and Patient Accounts Receivable, Continued

Net Patient Service Revenue, Continued

Revenue from the Medicare and Medicaid programs accounted for approximately 34% and 17%, respectively, of Adirondack Health's net patient service revenue for 2015 and 35% and 16%, respectively, of Adirondack Health's net patient service revenue for 2014. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Net patient service revenue decreased by approximately \$299,000 in 2015 and increased by approximately \$729,000 in 2014, related to either settlement of prior year issues or changes in estimates associated with third-party issues. The gain (loss) from operations of discontinued component was decreased by approximately \$345,000 and increased by approximately \$550,000 in 2015 and 2014, respectively, related to either settlement of prior year issues or changes in estimates associated with third-party issues. In addition, in 2015 and 2014 approximately \$3,400,000 and \$525,000, respectively, related to a long-term care rate adjustment for Medicaid through the Vital Access Program (VAP) and Safety Net Provider was included in the gain (loss) from operations of discontinued component.

Patient Accounts Receivable

Adirondack Health grants unsecured credit to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at December 31 was as follows:

	<u>2015</u>	<u>2014</u>
Medicare	23%	24%
Medicaid	5%	6%
Blue Cross/Blue Shield	27%	32%
Private payors	7%	5%
Other insurance	<u>38%</u>	<u>33%</u>
	<u>100%</u>	<u>100%</u>

ADIRONDACK MEDICAL CENTER
d/b/a ADIRONDACK HEALTH
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Notes to Consolidated Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(c) Net Patient Service Revenue and Patient Accounts Receivable, Continued

Patient Accounts Receivable, Continued

Accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectibility of patient accounts receivable, Adirondack Health analyzes past payment history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. For receivables associated with patients who have third-party coverage, Adirondack Health analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for bad debts, if necessary. For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), Adirondack Health records a provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts.

Adirondack Health's allowance for uncollectible accounts for self-pay patients decreased from 75% of self-pay accounts receivable at December 31, 2014, to 70% of self-pay accounts receivable at December 31, 2015. In addition, Adirondack Health's self-pay writeoffs decreased \$194,673 from \$3,982,098 for fiscal year 2014 to \$3,787,425 for fiscal year 2015.

(d) Charity Care

Adirondack Health provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. Because Adirondack Health does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue. Adirondack Health estimates the direct and indirect costs of providing charity care by applying a cost to gross charges ratio to the gross uncompensated charges associated with providing charity care to patients. During 2015 and 2014, Adirondack Health's costs to provide charity care approximated \$68,000 and \$194,000, respectively.

**ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(e) Contributions and Pledges Receivable

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Pledges receivable due in more than one year are reflected at the present value of estimated future cash flows. The discounts on those amounts are computed using risk free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Contributions 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 restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted in the consolidated statements of operations and changes in net assets as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements.

An allowance for uncollectible pledges receivable is estimated by management based on periodic reviews of the collectability of pledges receivable considering historical experience and prevailing economic conditions.

(f) Inventories

Inventories are stated at the lower of cost (first in, first out) or market and consist primarily of medical and related supplies and pharmaceuticals.

(g) Assets Limited as to Use

Assets limited as to use primarily include assets set aside by the Board of Trustees for future capital improvements and donor specific purposes.

(h) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets.

Investment income or loss (including realized gains or losses on investments, interest and dividends) is included in the excess of revenues over expenses unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments are excluded from the excess of revenues over expenses unless the investments are trading securities.

ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(h) Investments, Continued

Certain investments that do not have readily determinable fair values are valued by using the net asset value (NAV) per share (or its equivalent) as a practical expedient permitted under the Fair Value Measurement topic of the FASB Accounting Standards Codification.

(i) Investment Risks

Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in values in the near term could materially affect the amounts reported in the accompanying consolidated balance sheets and statements of operations and changes in net assets.

(j) Deferred Financing Costs

Deferred financing costs represent amounts incurred in the issuance of Adirondack Health's debt. These amounts are amortized on a straight-line basis over the term of the bonds. Amortization expense amounted to approximately \$25,000 in 2015 and 2014. Amortization expense is expected to be approximately \$25,000 for each of the years ended 2016 through 2020.

(k) Resident Funds

Resident funds are deposited with Adirondack Health on behalf of skilled nursing facility residents for their discretionary use. The funds are administered by Adirondack Health with the corresponding liability to the residents reflected in the consolidated balance sheets.

(l) Property and Equipment and Equipment Held for Sale

Property and equipment acquisitions are recorded at cost. Depreciation is calculated over the estimated useful life of each class of depreciable asset ranging from 3-40 years using the straight-line method. Equipment under capital leases is amortized on the straight-line method over the shorter period of the lease or of the estimated useful life of the assets. Amortization of equipment under capital leases is included in depreciation and amortization expense in the consolidated financial statements.

**ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(l) Property and Equipment and Equipment Held for Sale, Continued

Gifts of long-lived assets such as land, buildings or equipment are reported as unrestricted support and are excluded from the excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor restrictions about how long these long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

As of April 2015, the equipment held for sale is no longer adjusted for depreciation as the value is maintained at fair value.

(m) Asset Retirement Obligation

Adirondack Health has recorded an estimated obligation to reflect Adirondack Health's obligation to remediate specific environmental matters in the event Adirondack Health was to renovate or demolish certain buildings in the future. Included in the accompanying consolidated balance sheets at December 31, 2015 and 2014 relative to the asset retirement obligation is approximately \$1,056,000 and \$1,044,000, respectively, which represents the present value, discounted at a rate of 5%, of the expected future costs of removal and disposal activities. The fair value of the liability for the asset retirement obligation is recognized in the period in which it occurred if a reasonable estimate of the timing, method and cost of the future abatement can be made and a charge to operations is incurred. Revisions in estimated liabilities can result from changes in estimated inflation rates, asbestos costs and changes in the estimated timing of settling asset retirement obligations. Subsequent changes in the estimated liabilities and accretion are recorded in purchase services expense. Adirondack Health plans on remediating this asset retirement obligation from 2016 through 2025.

(n) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by Adirondack Health has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by Adirondack Health in perpetuity.

(o) Other Operating Revenue

This amount consists of revenues from miscellaneous sources, including rental income from various physicians who occupy the medical office buildings, which are located on Adirondack Health's campus and EHR incentive payments.

ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(p) EHR Incentive Payments

The American Recovery and Reinvestment Act of 2009 included provisions for implementing health information technology under the Health Information Technology for Economic and Clinical Health Act (HITECH). The provisions were designed to increase the use of electronic health record (EHR) technology and establish the requirements for a Medicare and Medicaid incentive payment program beginning in 2011 for eligible providers that adopt and meaningfully use certified EHR technology. Eligibility for annual Medicare and Medicaid incentive payments is dependent on providers demonstrating meaningful use of EHR technology in each period over a four-year period. Initial Medicaid payments are available to providers that adopt, implement or upgrade certified EHR technology. Providers must demonstrate meaningful use of such technology in subsequent years to qualify for additional Medicaid incentive payments.

Adirondack Health recognizes HITECH incentive payments as revenue when it is reasonably assured that the meaningful use objectives have been achieved. Adirondack Health recognized incentive payments of \$622,536 for the year ended December 31, 2015, as other operating revenue in the accompanying consolidated statements of operations and changes in net assets. Adirondack Health's compliance with the meaningful use criteria is subject to audit by the federal and New York State government.

(q) Excess of Revenues Over Expenses

The consolidated statement of operations and changes in net assets includes excess of revenues over expenses. Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include change in net unrealized gains and losses on investments and contributions of property and equipment (including assets acquired using contributions which, by donor restriction, were to be used for the purpose of acquiring such assets).

(r) Donated Services

Volunteers have donated significant amounts of time in support of Adirondack Health's activities. However, the value of these services is not reflected in the accompanying consolidated financial statements as they do not meet the criteria for recognition set forth under accounting principles generally accepted in the United States of America.

**ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

(2) Summary of Significant Accounting Policies, Continued

(s) Income Taxes

Adirondack Health (previously defined as the collective entity, which would include the Foundation) and the Foundation are not-for-profit corporations and are exempt organizations qualified under Section 501(c)(3) of the Internal Revenue Code. Adirondack Health and the Foundation have been classified by the Internal Revenue Service (IRS) as entities that are not private foundations.

The standards for accounting for uncertainty in income taxes establish a recognition threshold and measurement for income tax positions recognized in Adirondack Health's consolidated financial statements. These standards had no impact on the accompanying consolidated financial statements.

The tax years open to examination by federal and state taxing authorities are 2012 through 2015.

(t) Collective Bargaining Agreements

Approximately 72% of Adirondack Health's employees work under collective bargaining agreements. The United Food and Commercial Workers International Union agreement expires in June 2018. The New York State Nurses Association agreement expires in December 2016.

(u) Subsequent Events

Subsequent events have been evaluated through March 28, 2016, which is the date the financial statements were available to be issued.

**ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

(3) Discontinued Operations

During 2014, Adirondack Health reviewed its strategic plan. Based on current and budgeted forecast results, Uihlein Living Center is not projected to meet Adirondack Health's long-term goals. As a result, Adirondack Health has decided to sell Uihlein Living Center. The planned divestiture of Uihlein Living Center includes the operating license and certain equipment. In accordance with *FASB ASC 360 Property, Plant and Equipment*, the equipment associated with the potential sale is presented as held for sale at December 31, 2015 and 2014.

In accordance with *FASB ASC 205-20-45-3 Presentation of Financial Statements-Discontinued Operations*, in a period in which a component of an entity either has been disposed of or is classified as held for sale, the statement of operations and changes in net assets of the entity for current and prior periods presented should separately report the results of operations of the component, including any gain or loss recognized from the sale or write down, in discontinued operations. The results of operations of Uihlein Living Center, classified as held for sale, have been included in discontinued operations in the consolidated statements of operations and changes in net assets for all periods presented.

(4) Pledges Receivable

During 2015, the Foundation began a capital campaign to raise funds for several future projects. The pledges receivable represent unconditional promises to give to the Foundation's capital campaign.

Pledges receivable as of December 31, 2015 consists of the following:

Pledges receivable	\$ 1,845,988
Less discount	<u>(72,442)</u>
Pledges, net present value	1,773,546
Less allowance for uncollectible pledges	<u>(75,062)</u>
Pledges receivable, net	<u><u>\$ 1,698,484</u></u>

The scheduled collection of pledges receivable is as follows:

Receivable in less than one year	\$ 533,756
Receivable in one to five years	<u>1,239,790</u>
	<u><u>\$ 1,773,546</u></u>

Pledges receivable due in more than one year are reflected at the present value of estimated future cash flows using discount rates ranging from 0.6% to 1.8%.

**ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

(5) Assets Limited as to Use and Investments

Assets Limited as to Use

Assets limited as to use, stated at fair value, consist of the following at December 31:

	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 1,330,639	824,305
Equity securities:		
U.S. large cap	5,108,940	5,095,329
U.S. mid cap	1,473,852	1,320,550
U.S. small cap	646,521	453,440
International development	1,829,028	1,515,263
Emerging markets	34,071	952,757
Debt securities:		
International development bonds	101,657	-
Investment grade taxable	4,205,750	2,078,921
Fixed income - other	165,691	745,482
Hedge fund	-	1,195,433
Real estate	109,725	-
	<u>\$ 15,005,874</u>	<u>14,181,480</u>

The above amounts are restricted for the following purposes as follows for the years ended December 31:

	<u>2015</u>	<u>2014</u>
Board designated	\$ 13,812,400	14,181,480
Donor restricted	1,193,474	-
	<u>\$ 15,005,874</u>	<u>14,181,480</u>

**ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

(5) Assets Limited as to Use and Investments, Continued

Investments

Investments, stated at fair value, consist of the following at December 31:

	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 1,729,593	5,607,556
Equity securities:		
U.S. large cap	5,130,420	2,652,394
U.S. mid cap	1,417,838	668,337
U.S. small cap	623,548	230,637
International development	1,805,290	788,597
Emerging markets	32,652	504,439
Debt securities:		
International development bonds	102,139	-
Investment grade taxable	4,190,471	1,006,327
Fixed income - other	167,372	377,276
Hedge fund	-	639,441
Real estate	105,751	-
	<u>\$ 15,305,074</u>	<u>12,475,004</u>

The above amounts are included in the accompanying consolidated balance sheets as follows for the years ended December 31:

	<u>2015</u>	<u>2014</u>
Investments - current assets	\$ 13,155,748	8,794,239
Investments - long-term assets	<u>2,149,326</u>	<u>3,680,765</u>
	<u>\$ 15,305,074</u>	<u>12,475,004</u>

Investment income for assets limited as to use and other investments, including interest earned on invested cash, is composed of the following for the years ended December 31:

	<u>2015</u>	<u>2014</u>
Income:		
Interest and dividends, net of investment fees	\$ 402,698	278,219
Net realized gains on sales of securities	<u>237,288</u>	<u>831,666</u>
	<u>\$ 639,986</u>	<u>1,109,885</u>
Other changes in unrestricted net assets:		
Unrealized losses on investments, net	<u>\$ (1,051,487)</u>	<u>(253,726)</u>

**ADIRONDACK MEDICAL CENTER
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Notes to Consolidated Financial Statements

(5) Assets Limited as to Use and Investments, Continued

Aggregate investment income is reported net of investment fees and expenses of approximately \$155,000 and \$120,000 for the years ended December 31, 2015 and 2014, respectively.

The following tables present the gross unrealized losses and fair value of Adirondack Health's investments with unrealized losses that are not deemed to be other-than-temporarily impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at December 31, 2015 and 2014:

	<u>2015</u>		<u>2014</u>	
	<u>Unrealized loss</u>	<u>Fair value</u>	<u>Unrealized loss</u>	<u>Fair value</u>
<i>Equity Securities</i>				
Loss position continuous for less than 12 months	\$ 544,638	6,171,714	303,970	3,806,189
Loss position continuous for 12 months or greater	<u>172,058</u>	<u>1,482,756</u>	<u>16,370</u>	<u>99,134</u>
Total	<u>\$ 716,696</u>	<u>7,654,470</u>	<u>320,340</u>	<u>3,905,323</u>

	<u>2015</u>		<u>2014</u>	
	<u>Unrealized loss</u>	<u>Fair value</u>	<u>Unrealized loss</u>	<u>Fair value</u>
<i>Debt Securities</i>				
Loss position continuous for less than 12 months	\$ 17,794	2,311,555	59	26,478
Loss position continuous for 12 months or greater	<u>176,353</u>	<u>1,627,877</u>	<u>121,489</u>	<u>2,449,942</u>
	<u>\$ 194,147</u>	<u>3,939,432</u>	<u>121,548</u>	<u>2,476,420</u>

Adirondack Health reviews investments for other-than-temporary impairment whenever the fair value of an investment is less than amortized cost and evidence indicates that an investment's carrying amount is not recoverable within a reasonable period of time. In the evaluation of whether an impairment is other-than-temporary, Adirondack Health considers the reasons for the impairment, its ability and intent to hold the investment until the market price recovers or the investment matures, compliance with its investment policy, the severity and duration of the impairment, and expected future performance.

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Notes to Consolidated Financial Statements

(5) Assets Limited as to Use and Investments, Continued

The unrealized losses on Adirondack Health's investments were caused by interest rate increases and market volatility. These unrealized losses on temporarily impaired securities have not been included as impairment charges on the above aggregate impairments based upon a determination made after consideration of both the level of the decline in value, as well as the longevity of such decline. Adirondack Health has both the ability and intent to hold the securities through maturity or recovery. Based upon the evaluation and Adirondack Health's ability and intent to hold the securities for a reasonable period of time sufficient for a forecasted recovery of fair value, Adirondack Health does not consider the securities in an unrealized loss position to be other-than-temporarily impaired at December 31, 2015 and 2014.

(6) Property and Equipment and Equipment Held for Sale

Property and equipment is comprised of the following at December 31:

	<u>2015</u>	<u>2014</u>
Land and land improvements	\$ 1,411,996	1,342,541
Building and building improvements	44,133,345	43,296,223
Equipment	45,615,529	43,967,977
Vehicles	61,700	61,700
	<hr/>	<hr/>
	91,222,570	88,668,441
Less accumulated depreciation	67,021,369	63,119,796
	<hr/>	<hr/>
	24,201,201	25,548,645
Construction-in-progress	555,442	1,098,143
	<hr/>	<hr/>
	\$ 24,756,643	26,646,788
	<hr/>	<hr/>

Depreciation expense amounted to approximately \$3,786,000 and \$4,190,000 in 2015 and 2014, respectively.

Adirondack Health intends to sell the equipment associated with Uihlein Living Center's operations. The Department of Health approved the sale on February 12, 2016 and it is expected to be finalized during 2016. At December 31, 2015 and 2014, these assets are listed as equipment held for sale on the consolidated balance sheets. In accordance with FASB ASC 360 Property, Plant and Equipment, the equipment has been valued at the lower of carrying value or fair value at December 31, 2015 and 2014.

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Notes to Consolidated Financial Statements

(6) Property and Equipment and Equipment Held for Sale, Continued

Equipment held for sale as of December 31 consists of the following:

	<u>2015</u>	<u>2014</u>
Equipment	\$ 975,352	975,352
Vehicles	87,314	87,314
	1,062,666	1,062,666
Less accumulated depreciation	(663,933)	(640,794)
	\$ 398,733	421,872

(7) Credit Facilities

Adirondack Health has an uncollateralized line-of-credit agreement with a bank providing for a maximum borrowing of \$500,000 with interest on amounts at a daily variable interest rate at the Wall Street Journal Prime rate (3.50% per annum at December 31, 2015). There was no outstanding liability on the line at December 31, 2015 and 2014.

(8) Long-Term Debt

	<u>2015</u>	<u>2014</u>
Multi-mode revenue bonds	\$ 9,470,216	9,974,552
Note payable	1,588,042	1,664,651
Capital lease obligations	133,647	348,384
	11,191,905	11,987,587
Less current portion of long-term debt	(658,545)	(736,989)
Long term debt, net of current portion	\$ 10,533,360	11,250,598

Multi-Mode Revenue Bonds and Note Payable

On November 2, 2012, Adirondack Health through the Franklin County Civic Development Corporation, issued Multi-Mode Revenue Bonds (Adirondack Medical Center Project), Series 2012A (Multi-Mode Revenue Bonds) in the amount of \$10,999,965 and a note payable in the amount of \$1,817,472.

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Notes to Consolidated Financial Statements

(8) Long-Term Debt, Continued

Multi-Mode Revenue Bonds and Note Payable, Continued

The Multi-Mode Revenue Bonds were issued in accordance with a Trust Indenture between the Franklin County Civic Development Corporation and the Bond Trustee. In accordance with a Loan Agreement between Adirondack Health and the Franklin County Civic Development Corporation, Adirondack Health will make certain interest and principal payments to be used to make payments on the Multi-Mode Revenue Bonds. The payment obligations of Adirondack Health under the Loan Agreement are secured through the issuance of a Series One Note issued pursuant to a Supplemental Master Indenture Number One under a Master Trust Indenture and Security Agreement (“Master Indenture”) between the Master Trustee and Adirondack Health on behalf of itself and as Obligated Group Agent on behalf of the Obligated Group, consisting of Adirondack Health and any future Members of the Obligated Group. Under the terms of the Master Indenture, Obligations issued thereunder by the Obligated Group are secured by the Gross Revenues of the Obligated Group. As further security for Adirondack Health’s obligations under the Series One Note and the Loan Agreement, the Adirondack Medical Center Foundation has granted a guaranty of payment to the Master Trustee. The Master Indenture imposes certain covenants upon Adirondack Health, including financial covenants. The financial covenants require Adirondack Health to maintain certain financial levels and ratios such as days cash on hand, debt service coverage and capitalization ratios. At December 31, 2015, Adirondack Health was in compliance with those financial covenants.

The note payable is in the form of an Obligated Group Series Two Note issued pursuant to a Second Supplemental Indenture Number Two under the Master Indenture. In addition to the security granted under the Master Indenture, the Series Two Note is further secured by a guaranty of payment by the Adirondack Medical Center Foundation.

The terms of the Multi-Mode Revenue Bonds and note payable as of December 31, 2015 are as follows:

	<u>Term</u>	<u>Principal Payments</u>	<u>Rate</u>
Multi-Mode Revenue Bonds	2024	\$480,155 - 689,679	3.96%
Note payable	2024	\$73,790 - 115,344	5.18%

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Notes to Consolidated Financial Statements

(8) Long-Term Debt, Continued

Capital Lease Obligations

At December 31, 2015, Adirondack Health has one outstanding capital lease obligation on equipment requiring monthly installments of \$9,734 through April 2017, at an imputed interest rate of 3.11%. The net book value of the equipment capitalized under lease agreements at December 31, 2015 and 2014 amounted to approximately \$161,000 and \$478,000, respectively.

Future maturities of long-term debt and minimum lease payments as of December 31, 2015 are as follows:

	<u>Long-term debt</u>	<u>Capital lease obligations</u>
2016	\$ 553,945	107,059
2017	628,625	29,197
2018	655,052	-
2019	682,601	-
2020	711,321	-
Thereafter	<u>7,826,714</u>	<u>-</u>
Total payments	<u>\$ 11,058,258</u>	136,256
Less amount representing interest under capital lease obligations		<u>(2,609)</u>
Present value of capital lease obligations		<u>\$ 133,647</u>

(9) Retirement Plan

Adirondack Health sponsors a defined contribution retirement plan covering substantially all employees. Adirondack Health may contribute an amount equal to 1% of participants' annual compensation, as defined by the plan, plus 50% of participants' contributions, not to exceed 3% of annual compensation for 2015 and 2014. Annual pension expense was approximately \$1,118,000 and \$1,050,000 for 2015 and 2014, respectively.

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Notes to Consolidated Financial Statements

(10) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets at December 31 are available for the following purposes or periods:

	<u>2015</u>	<u>2014</u>
Health Care Services:		
Renovations and capital purchases	\$ 2,891,958	-
Nursing education and other programs	<u>65,169</u>	<u>61,003</u>
	<u>\$ 2,957,127</u>	<u>61,003</u>

Permanently restricted net assets at December 31 are restricted to:

	<u>2015</u>	<u>2014</u>
Investments to be held in perpetuity, the income from which is expendable to enhance the quality of life of the residents of Uihlein Living Center	\$ 250,000	250,000
Investments to be held in perpetuity, the income, and the realized gains from which is expendable to support health care services (reported as nonoperating revenue)	<u>731,177</u>	<u>731,177</u>
	<u>\$ 981,177</u>	<u>981,177</u>

Endowments

Adirondack Health's endowments consist of funds established for a variety of purposes. Its endowments include donor-restricted endowment funds and funds designated by the Board of Trustees to function as an endowment. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

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Notes to Consolidated Financial Statements

(10) Temporarily and Permanently Restricted Net Assets, Continued

Endowments, Continued

Interpretation of Relevant Law

Previous to September 17, 2010, New York State law required the preservation of an endowment fund's historic dollar value. Historic dollar value is defined as the aggregate fair value in dollars of an endowment fund at the time it becomes an endowment fund, each subsequent donation to the fund at the time it is made and each accumulation made pursuant to a direction in applicable gift instrument at the time an accumulation is added to the fund. The law permitted an organization to spend the income earned by an endowment fund (i.e. interest, dividends), as well as the net appreciation (realized with respect to all assets and unrealized with respect to readily marketable assets) of such fund.

On September 17, 2010, the New York Prudent Management of Institutional Funds Act (NYPMIFA) was signed into New York State law. The most prominent feature of NYPMIFA is the elimination of the requirement to preserve an endowment fund's historic dollar value which allows an organization to spend from an endowment whose market value has dropped below the historic dollar value, as long as it is deemed prudent under the organization's policies. In accordance with NYPMIFA, an organization must consider the following factors in exercising a standard of prudence:

1. The duration and preservation of the endowment 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
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
8. Where appropriate, alternatives to spending from the endowment fund and the possible effects of those alternatives on the organization

NYPMIFA requires compliance with donor intent when making investment or spending decisions with respect to an endowment fund. In addition, NYPMIFA creates a restriction on the portion of an endowment fund that is not classified as permanently restricted net assets, even in the absence of a donor restriction. Such portion is classified as temporarily restricted net assets until appropriated for expenditure by the organization.

As of December 31, 2015, the Board of Trustees of Adirondack Health has not adopted and is currently evaluating the provisions of NYPMIFA. As a result, Adirondack Health continues to classify permanently restricted net assets at the historic dollar value of the fund.

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Notes to Consolidated Financial Statements

(10) Temporarily and Permanently Restricted Net Assets, Continued

Endowments, Continued

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 NYPMIFA requires Adirondack Health to retain as a fund of perpetual duration. If this situation were to occur, losses on the investments of a donor-restricted endowment fund shall reduce temporarily restricted net assets to the extent that donor-imposed restrictions on net appreciation of the funds have not been met before the loss occurs. Any remaining loss shall reduce unrestricted net assets. There were no such deficiencies as of December 31, 2015 or 2014.

Return Objectives, Strategies, Spending Policy and Investment Objectives

Adirondack Health 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 purchase power of the endowment assets. Under this policy, as approved by the Board of Trustees, the endowment assets are to be invested in a well diversified asset mix that can be expected to generate acceptable long-term returns at an acceptable level of risk. Adirondack Health targets a diversified asset allocation that places a greater emphasis on equity-based investments and bonds to achieve its long-term return objectives within prudent risk constraints.

Adirondack Health has specific spending policies with respect to its various endowments based on the donors' request. Unless otherwise defined by the donor, the amount available for spending during a fiscal year is determined by taking five percent of the average endowment fund balance for the trailing 12 calendar quarters based on market value. The average is calculated as of the end of the second fiscal quarter of the previous fiscal year. The allowable spending amount will never exceed six percent, unless otherwise approved by the Board of Trustees, of the endowment fund's market value as of the end of the second fiscal quarter of the previous fiscal year.

Adirondack Health has a policy of immediately appropriating for expenditure the current yield (interest and dividends) of donor-restricted endowments as earned during the year to purchase capital assets or to support health care services based on the donor's request and that preserves the endowments purchasing power through maintaining all capital appreciation (realized and unrealized) within the endowment funds. For the Board-designated endowment, Adirondack Health's objective since inception of the fund has been growth. Accordingly, all investment return is maintained within the endowment fund.

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Notes to Consolidated Financial Statements

(10) Temporarily and Permanently Restricted Net Assets, Continued

Endowments, Continued

The following tables provide the endowment net assets composition by type of fund as of December 31 and the changes in endowment net assets for the years ended December 31:

Endowment Net Assets Composition by Type of Fund

	2015			
	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ <u>656,965</u>	<u>65,169</u>	<u>981,177</u>	<u>1,703,311</u>

Changes in Endowment Net Assets

	2015			
	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Endowment net assets, January 1, 2015	\$ 2,182,919	61,003	981,177	3,225,099
Investment return:				
Investment income	21,218	4,666	-	25,884
Net depreciation (realized and unrealized)	(15,241)	-	-	(15,241)
Distributions	<u>(1,531,931)</u>	<u>(500)</u>	<u>-</u>	<u>(1,532,431)</u>
Endowment net assets, December 31, 2015	\$ <u>656,965</u>	<u>65,169</u>	<u>981,177</u>	<u>1,703,311</u>

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Notes to Consolidated Financial Statements

(10) Temporarily and Permanently Restricted Net Assets, Continued
Endowments, Continued

Endowment Net Assets Composition by Type of Fund

	2014			
	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 421,936	61,003	981,177	1,464,116
Board designated endowment funds	1,760,983	-	-	1,760,983
	\$ 2,182,919	61,003	981,177	3,225,099

Changes in Endowment Net Assets

	2014			
	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Endowment net assets, January 1, 2014	\$ 2,053,663	57,017	965,062	3,075,742
Contributions	-	-	700	700
Investment return:				
Investment income	28,770	4,486	-	33,256
Net appreciation (realized and unrealized)	100,486	-	-	100,486
Distributions	-	(500)	-	(500)
Other	-	-	15,415	15,415
Endowment net assets, December 31, 2014	\$ 2,182,919	61,003	981,177	3,225,099

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Notes to Consolidated Financial Statements

(11) Commitments and Contingencies

Malpractice

Malpractice insurance coverage is provided on a claims-made basis, which provide for \$3,000,000 coverage for each claim, not to exceed \$6,000,000 in aggregate annual coverage. Adirondack Health intends to renew its coverage on a claims-made basis and has no reason to believe that it may be prevented from renewing such coverage. Claims alleging malpractice have been asserted against Adirondack Health and are currently in various stages of litigation. It is the opinion of management, however, that malpractice coverage described above is adequate to provide for potential losses resulting from pending or threatened litigation. Additional claims may be asserted against Adirondack Health arising from services provided to patients through December 31, 2015. Adirondack Health is unable to reasonably estimate the ultimate cost of the resolution of such potential claims and, accordingly, no provision for loss, if any, which may result from such claims has been recorded in the accompanying consolidated financial statements.

Workers' Compensation

Adirondack Health provides for workers' compensation insurance through participation in the Healthcare of New York Workers Compensation Trust (the Trust), a group self-insured trust regulated by the New York State Workers' Compensation Board (WCB). Participation in the Trust subjects Adirondack Health to joint and several liability. Should the Trust's assets be insufficient to cover its debts, each Trust member would be subject to a proportional premium assessment to fund the shortage. The Trust uses reinsurance agreements to reduce its exposure to large losses on both an individual and aggregate claims basis. On April 11, 2014, Adirondack Health was notified that there were assessments levied amongst former Trust members to alleviate a claims liability shortfall. During 2014, the assessment was adjusted and it was determined that Adirondack Health was required to make an additional contribution of \$311,277 to the Trust which is being paid over the next five years. At December 31, 2015, the outstanding liability of the adjusted claims assessment is \$212,706. The Trust has not been final settled as of the date of issuance of the consolidated financial statements and all members within the Trust remain jointly and severally liable for any potential future assessments. Any future adjustments to this assessment are not able to be estimated.

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Notes to Consolidated Financial Statements

(11) Commitments and Contingencies, Continued

Workers' Compensation, Continued

On January 1, 2012, Adirondack Health ended participation in the Trust and obtained workers' compensation coverage through a captive insurance company (Captive). The premium paid and the deposit requirements of the captive are designed to cover the expected and unexpected reinsured risk of each insured member of the captive. However, circumstances could arise in which such funds may not be adequate to cover losses. These excess losses may result in Adirondack Health having to pay additional premium assessments. To secure its position with the captive, Adirondack Health was required to obtain irrevocable letters of credit for approximately \$1,578,000, which represents Adirondack Health's maximum exposure to additional premium assessments. The amount of exposure to additional premium assessments and the corresponding letters of credit is based on annual premium funding requirements that Adirondack Health is required to remit and will vary year to year.

Operating Leases

Adirondack Health leases equipment under operating lease agreements which expire over the next five years. Rental expense incurred under such agreements amounted to approximately \$1,141,000 in 2015 and \$1,148,000 in 2014. Future minimum lease payments under noncancellable operating leases as of December 31, 2015, are as follows:

<u>Years ended December 31</u>	<u>Amount</u>
2016	\$ 526,939
2017	278,774
2018	130,923
2019	95,167
2020	<u>58,326</u>
	<u>\$ 1,090,129</u>

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Notes to Consolidated Financial Statements

(12) Fair Values of Financial Instruments

The Fair Value Measurement Topic of the FASB Accounting Standards Codification requires disclosures that categorize assets and liabilities measured at fair value based on a fair value hierarchy. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels which is determined by the lowest level input that is significant to the fair value measurement in its entirety.

The following methods and assumptions were used by Adirondack Health in determining the fair value of its financial instruments:

Equity, Debt Securities and Real Estate Trusts: Fair values are based on quoted market prices.

Hedge Funds: Fair values are based on net asset value (NAV) per share as determined by the fund's investment manager or general partner.

The following tables present information about assets and liabilities that are measured at fair value on a recurring basis as of December 31 and indicate the fair value hierarchy of the valuation techniques utilized to determine such fair value. In general, fair values determined by Level 1 inputs utilized quoted prices in active markets for identical assets or liabilities. Adirondack Health considers a security that trades at least weekly to have an active market. This pricing methodology applies to Adirondack Health's Level 1 financial assets such as equity securities held within the investment portfolio. Fair values for Level 2 financial assets are primarily determined using techniques consistent with the income approach. Level 2 inputs utilize data points that are observable, such as quoted prices of similar securities, interest rates and yield curves. This pricing methodology applies to Adirondack Health's Level 2 financial assets such as debt securities held within the investment portfolio. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

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Notes to Consolidated Financial Statements

(12) Fair Values of Financial Instruments, Continued

The following investments and assets limited as to use are measured at fair value on a recurring basis at December 31, 2015:

<u>Description of securities</u>	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	<u>Total</u>
Equity securities:				
U.S. large cap	\$ 10,239,360	-	-	10,239,360
U.S. mid cap	2,891,690	-	-	2,891,690
U.S. small cap	1,270,069	-	-	1,270,069
International development	3,634,318	-	-	3,634,318
Emerging markets	66,723	-	-	66,723
Debt securities:				
Investment grade taxable	-	8,396,221	-	8,396,221
Fixed income - other	203,796	333,063	-	536,859
Real estate trusts	215,476	-	-	215,476
	<u>\$ 18,521,432</u>	<u>8,729,284</u>	<u>-</u>	<u>27,250,716</u>

The following investments and assets limited as to use are measured at fair value on a recurring basis at December 31, 2014:

<u>Description of securities</u>	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	<u>Total</u>
Equity securities:				
U.S. large cap	\$ 7,747,723	-	-	7,747,723
U.S. mid cap	1,988,887	-	-	1,988,887
U.S. small cap	684,077	-	-	684,077
International development	2,303,860	-	-	2,303,860
Emerging markets	1,457,196	-	-	1,457,196
Debt securities:				
Investment grade taxable	-	3,085,248	-	3,085,248
Fixed income - other	-	1,122,758	-	1,122,758
Hedge funds	-	1,834,874	-	1,834,874
	<u>\$ 14,181,743</u>	<u>6,042,880</u>	<u>-</u>	<u>20,224,623</u>

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Notes to Consolidated Financial Statements

(12) Fair Values of Financial Instruments, Continued

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2014. Adirondack Health did not hold any investments measured at fair value based on NAV at December 31, 2015.

	2014			
<u>Investment</u>	<u>Total fair value</u>	<u>Unfunded commitments</u>	<u>Redemption frequency</u>	<u>Redemption notice period</u>
Hedge funds (a)	\$ 1,834,874	-	Daily	None

- (a) Hedge fund strategies seek to achieve maximum return by allocating its assets primarily among stocks, bonds and short-term instruments of issuers in markets around the globe, as well as investments in derivative instruments, precious metals and investments with exposure to various foreign currencies. Strategies involve funds with investment managers who have the authority to invest in various asset classes at their discretion and who have the ability to employ multiple investment strategies within their respective portfolios. These funds attempt to reduce individual manager risk by allocating capital among multiple investment managers.

At December 31, 2015 and 2014, the recorded value approximates the fair value of assets and liabilities which are not measured at fair value on a recurring basis.

(13) Supplemental Cash Flow Information

Adirondack Health's non-cash investing and financing activity and cash payments for interest for the years ended December 31 were approximately as follows:

	<u>2015</u>	<u>2014</u>
Non-cash investing and financing activities:		
Property and equipment purchases financed through accounts payable	\$ 65,000	100,100
Cash paid for interest	483,000	531,000

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Notes to Consolidated Financial Statements

(14) Functional Expenses

Adirondack Health provides general healthcare services to residents within its geographic service area. Expenses related to providing these services are as follows:

	<u>2015</u>	<u>2014</u>
Program	\$ 78,354,868	76,946,120
General and administrative	10,973,622	10,416,814
Fundraising	<u>632,007</u>	<u>453,972</u>
	<u>\$ 89,960,497</u>	<u>87,816,906</u>

**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION**

To the Board of Trustees of
Adirondack Medical Center
d/b/a Adirondack Health and Subsidiary:

We have audited the consolidated financial statements of Adirondack Medical Center d/b/a Adirondack Health and Subsidiary as of and for the years ended December 31, 2015 and 2014, and our report thereon dated March 28, 2016, which expressed an unmodified opinion on those consolidated financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The information included in Exhibits I, II, III, IV and V is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Fust Charles Chambers LLP

March 28, 2016

UIHLEIN LIVING CENTER

Balance Sheets

December 31, 2015 and 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 114,816	120,138
Patient accounts receivable, net of estimated uncollectibles of approximately \$258,000 in 2015 and \$224,000 in 2014	373,813	396,246
Other receivables	129,133	125,047
Inventories	44,779	35,419
Prepaid expenses and other current assets	194,753	270,335
Estimated third-party payor settlements	215,056	213,561
Equipment held for sale	398,733	421,872
Total current assets	1,471,083	1,582,618
Investments	250,501	1,765,632
Resident funds	58,304	63,350
Other receivables	106,855	20,140
Property and equipment, net	1,147,304	1,263,256
Total assets	\$ <u>3,034,047</u>	<u>4,694,996</u>
<u>Liabilities and Net Deficit</u>		
Current liabilities:		
Accounts payable and accrued expenses	161,208	160,919
Accrued salaries, wages, and related items	426,273	629,995
Other current liabilities	97,170	113,598
Total current liabilities	684,651	904,512
Due to affiliates	8,548,116	11,755,089
Resident funds	58,304	63,350
Other liabilities	106,855	20,140
Total liabilities	9,397,926	12,743,091
Net assets (deficit):		
Unrestricted	(6,613,879)	(8,298,095)
Permanently restricted	250,000	250,000
Total net deficit	(6,363,879)	(8,048,095)
Total liabilities and net deficit	\$ <u>3,034,047</u>	<u>4,694,996</u>

See accompanying independent auditor's report on supplementary information.

UIHLEIN LIVING CENTER

Statements of Operations - Discontinued Component and Changes in Net Deficit

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenues, gains and other support - discontinued component:		
Patient service revenue (net of contractual allowances and discounts)	\$ 9,680,054	6,215,315
(Provision for) recovery of bad debts	<u>(30,007)</u>	<u>7,167</u>
Net patient service revenue less (provision for) recovery of bad debts	9,650,047	6,222,482
Other operating revenue	<u>167,326</u>	<u>144,905</u>
Total revenues, gains and other support - discontinued component	<u>9,817,373</u>	<u>6,367,387</u>
Operating expenses:		
Salaries and wages	4,195,015	4,021,066
Fringe benefits	1,474,206	1,829,089
Supplies	663,375	663,296
Purchased services	424,537	638,166
Utilities	395,665	583,513
Leases and rentals	20,420	9,194
Repairs and maintenance	67,576	47,890
Insurance	55,029	69,264
Depreciation and amortization	176,416	226,022
Interest	516	312
Other	<u>681,852</u>	<u>584,028</u>
Total expenses	<u>8,154,607</u>	<u>8,671,840</u>
Gain (loss) from operations - discontinued component	1,662,766	(2,304,453)
Investment income, net	<u>145,290</u>	<u>55,205</u>
Excess (deficiency) of revenues over expenses - discontinued component	1,808,056	(2,249,248)
Change in net unrealized gains and losses on investments	<u>(123,840)</u>	<u>12,802</u>
(Increase) decrease in unrestricted net deficit	1,684,216	(2,236,446)
Net deficit at beginning of year	<u>(8,048,095)</u>	<u>(5,811,649)</u>
Net deficit at end of year	<u>\$ (6,363,879)</u>	<u>(8,048,095)</u>

See accompanying independent auditor's report on supplementary information.

UIHLEIN LIVING CENTER

Statements of Cash Flows - Discontinued Component

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities - discontinued component:		
Change in net deficit	\$ 1,684,216	(2,236,446)
Adjustments to reconcile change in net deficit to net cash provided by (used in) operating activities:		
Depreciation and amortization	176,416	226,022
Change in net unrealized gains and losses on investments	123,840	(12,802)
Realized gains on investments	(138,633)	(38,386)
Provision for (recovery of) bad debts	30,007	(7,167)
Changes in operating assets and liabilities:		
Patient accounts receivable	(7,574)	121,567
Other receivables	(90,801)	125,673
Inventories	(9,360)	3,559
Prepaid expenses and other current assets	75,582	(226,660)
Accounts payable and accrued expenses	289	34,822
Accrued salaries, wages and related items	(203,722)	44,207
Estimated third-party payor settlements	(1,495)	643,836
Due to affiliates	(3,206,973)	2,046,305
Other liabilities	70,287	(113,499)
	<u>(1,497,921)</u>	<u>611,031</u>
Net cash provided by (used in) operating activities - discontinued component		
Cash flows from investing activities - discontinued component:		
Sale (purchase) of investments, net	1,529,924	(17,326)
Purchases of property and equipment	(37,325)	(533,489)
	<u>1,492,599</u>	<u>(550,815)</u>
Net cash provided by (used in) investing activities - discontinued component		
Increase (decrease) in cash and cash equivalents	(5,322)	60,216
Cash and cash equivalents at beginning of year	<u>120,138</u>	<u>59,922</u>
Cash and cash equivalents at end of year	<u>\$ 114,816</u>	<u>120,138</u>

See accompanying independent auditor's report on supplementary information.

ADIRONDACK MEDICAL CENTER FOUNDATION
d/b/a ADIRONDACK HEALTH FOUNDATION

Balance Sheets

December 31, 2015 and 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 1,165,122	96,413
Investments	14,173,075	14,676,072
Pledges receivable, net of estimated uncollectible of approximately \$75,000 in 2015	1,698,484	-
Other assets	-	126,828
Total assets	<u>\$ 17,036,681</u>	<u>14,899,313</u>
<u>Liabilities and Net Assets</u>		
Accounts payable and accrued expenses	-	12,483
Due to Adirondack Health	119,583	109,210
Total liabilities	<u>119,583</u>	<u>121,693</u>
Net assets:		
Unrestricted net assets	13,978,427	14,731,066
Temporarily restricted	2,892,556	439
Permanently restricted	46,115	46,115
Total net assets	<u>16,917,098</u>	<u>14,777,620</u>
Total liabilities and net assets	<u>\$ 17,036,681</u>	<u>14,899,313</u>

See accompanying independent auditor's report on supplementary information.

ADIRONDACK MEDICAL CENTER FOUNDATION
d/b/a ADIRONDACK HEALTH FOUNDATION

Statements of Activities

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted net assets:		
Revenues, gains and other support:		
Contributions	\$ 576,867	605,512
Investment income, net of fees	623,856	919,247
Unrealized losses	(723,570)	(274,650)
Gift shop revenue	-	196,506
Net assets released from restrictions	500	500
	<u>477,653</u>	<u>1,447,115</u>
Total revenues, gains and other support		
Expenses:		
Contributions to Adirondack Health	561,408	517,175
Contributions - other	30,633	24,371
Fundraising	112,960	83,102
Management and general	488,425	346,504
Gift shop expenses	-	196,572
	<u>1,193,426</u>	<u>1,167,724</u>
Total expenses		
Excess (deficiency) of revenues over expenses	(715,773)	279,391
Other	(36,866)	(15,415)
	<u>(752,639)</u>	<u>263,976</u>
Increase (decrease) in unrestricted net assets		
Temporarily restricted net assets:		
Investment income, net	659	939
Contributions for capital campaign	2,967,020	-
Provision for bad debts	(75,062)	-
Net assets released from restrictions	(500)	(500)
	<u>2,892,117</u>	<u>439</u>
Increase in temporarily restricted net assets		
Permanently restricted net assets:		
Contributions	-	700
Other	-	15,415
	<u>-</u>	<u>16,115</u>
Increase in permanently restricted net assets		
Increase in net assets	2,139,478	280,530
Net assets at beginning of year	<u>14,777,620</u>	<u>14,497,090</u>
Net assets at end of year	<u>\$ 16,917,098</u>	<u>14,777,620</u>

See accompanying independent auditor's report on supplementary information.