



1529 White Mtn Hwy • PO Box 432
North Conway, New Hampshire 03860

Sandra Ruka, MS RN
Executive Director

603-356-7006
800-499-4171
Fax 603-356-8134

www.vnhch.org

Sept. 22, 2022

Carroll County Commissioners
Terry McCarthy, Chairman
Matthew Plache, Vice-Chairman
Kimberly Tessari, Clerk
Administration Building
95 Water Village Road, Box 1
Ossipee, NH 03864

Dear Carroll County Commissioners:

Visiting Nurse Home Care and Hospice of Carroll County (VNHCH) is submitting the enclosed Regional Appropriation Request for the agency for FY 2023. Our agency is very appreciative of the county's past support which has allowed us to continue to provide needed home care services for the most vulnerable residents of Carroll County. VNHCH has several lines of service-our skilled home care program focuses on more acute care as a person recovers from illness or injury, the hospice program provides supportive care as people near the end of their life. Both these programs are primarily funded by Medicare and private insurances but due to changing costs and restricted reimbursement these programs do not generate the surplus needed to support other programs. The long-term care program focuses on the elderly or disabled population. Services provided under the long term care program are primarily personal care, home health aide and homemaker services although nursing provides oversight and coordination of care. VNHCH also has a palliative care program, the goal of palliative care is to provide support and resources to those who may be living with a chronic disease, are elderly or may need support and assistance. Many of our clients on long term care programs benefit from palliative care as it connects them to additional support. Palliative care is not reimbursable under traditional payor sources but fills a community need and allows for long term oversight and support.

Older adults are living longer and more productive lives. Those with chronic illness and disability are more likely to want to remain independent and in their own homes. Carroll County has one of the most elderly populations in the state and that age cohort continues to grow, most people state their desire to live in their own homes versus living in a facility. Home care services support this wish and provides for coordinated person centered care.

It is not uncommon for our staff to provide home care services to an individual or couple for many years, especially in our long- term care programs. Since VNHCH provides a variety of service lines it is not uncommon for a person to move from one program to another. As illness and disability progress, we often provide the entire family with physical and emotional support so that they can care for their loved one at home. In the end, our staff offers both high touch and high tech care that balances the needs of

client and caregivers alike. These are the special attributes that make home care a vital part of today's health care environment, and our staff is dedicated to providing person centered care in all programs. The long term care program embodies the type of client specific services that allow people to age gracefully and safely in their home.

At the same time, state funding for these vital programs continue to lag behind the cost of providing services. Despite modest increases in funding meeting the cost of providing services is difficult to say the least. We are challenged daily to evaluate how home care interacts with and adds value to the health care system. We must constantly re-imagine the most effective and efficient ways to structure, deliver and be reimbursed for home care services. Despite increasing administrative burdens, we remain focused on our core values of service delivery and meeting the needs of the residents of Carroll County.

As with all industries the effect of the COVID 19 pandemic has caused even more stress on an already over-burdened system. VNHCH offers a robust benefit package as well as other incentives to recruit and retain adequate staff to meet the needs of our community members. We are pleased to report that these efforts have been successful, and our mission is to ensure that we do not have to delay services due to staffing.

The Carroll County Regional Appropriation is used to support two key Long Term Care programs: (1) Bureau of Elderly and Adult Services Title XX and Title IIIB, and (2) the Choices For Independence (CFI) Program (CFI).

Our agency continues to sustain annual losses in our long-term care program. VNHCH is requesting level funding \$75,000 for FY2023 to assist in closing this critical financial gap. Our services represent a substantial cost savings to the county as we work to provide quality home and community-based care to the county's frailest citizens in an effort to prevent or delay nursing home placement. It is clear that affordable and accessible home and community based care must remain an essential component of Carroll County's long-term care system.

Visiting Nurse Home Care and Hospice of Carroll County gratefully acknowledges the generous support that the Carroll County Commissioners and the Delegation members have demonstrated in the past. The Board of Directors, clients and staff are most grateful for your continuing support of our mission to provide quality home care services to county residents. Please let us know if you need any additional information or if we can answer any questions.

Sincerely,


Sandra Ruka, MSN RN
Executive Director

CARROLL COUNTY

APPLICATION FOR FINANCIAL ASSISTANCE

AGENCY CONTACT INFORMATION

Applicant Agency: Visiting Nurse Home Care & Hospice of Carroll County

Contact Person: Sandra Ruka, MSN RN Executive Director

Phone: 603 356-7006
x114

Fax: 603 356-8134

E-mail: slruka@vnhch.org

Agency Address: Mailing- PO Box 432 (Physical- 1529 White Mountain Highway

City: North Conway

State: NH

ZIP Code: 03860

Agency's Total Operating Budget:

Prior Year: 2021 - \$3,485,915

Current Year: 2022 - \$3,698,605

Proposed Year: 2023 - \$4,046,216

Amount of Funding Requested from Carroll County for 2023: \$75,000

DESCRIPTION OF FEE STRUCTURE, IF APPLICABLE:

Clients can pay full fee for all home care services or apply for financial assistance through Medicaid,

Choices for Independence (CFI), or other low income funding sources such as Title XX or Title IIIB.

Clients eligible for low income assistance are assessed on a sliding fee based on their income assets.

These fees, fundraising and county funding, supplement our low income grants to meet our visit service

Costs. Medicaid, Title XX and Title IIIB clients do not pay so-pays to the agency.

FUNDING SOURCES

<u>Category</u>	<u>Source, Title, Act</u>	<u>Actual Prior FY: 2021</u>	<u>Budget Current FY: 2022</u>	<u>Request FY: 2023</u>
Fees				
Federal				
State		SEE ATTACHED		
County				
Municipal				
Fund Raising				
Grants				
Other				

AGENCY OPERATING BUDGET

	<u>Actual Prior FY: 2021</u>	<u>Budget Current FY: 2022</u>	<u>Request FY: 2023</u>
Personnel			
Fringe Benefits			
Consultants & Subcontracts			
Utilities: Electric, Phone, Heat, etc.		SEE ATTACHED	
Rent			
Office Supplies, Printing, Advertising, etc.			
Education & Training (please attach detail on separate page)			
Travel, Lodging			
Other			
TOTALS:			

DEFINE UNIT OF SERVICE FOR THIS PROGRAM:			
A unit of service equals one visit of direct services in a client home and includes Nursing Care Management, Nursing Assessment and Supervision, Homemaker, Home Health Aide, Personal Care Services, and Caregiver Training.			
	Actual Prior FY: 2021	Budget FY: 2022	Request FY: 2023
Total number of units of service in Carroll County	10,206	10,039	10,000
Unit of Service Cost	\$97.04	\$95.21	\$100.36
Total number of individuals served in Carroll County (count each person only once)	148	150	140
Explain Method of Formula used to determine amount of Carroll County funding requested:			
County funds are used as match funding for low income programs of Title Xx Homemaker, Title IIIB Home Health Aide And Medicaid – Choices for Independence (CFI). 5% of the total cost of Title XX and IIIB is provided by County Funding; 11% of the Medicaid CFI program. All other match funding is generated by Donations and Fund Raising. State/Federal Funds greatly underfund these programs.			
Bureau of Elderly & Adult Services (BEAS)		Medicaid: Choices for Independence (CFI)	
Total Cost	\$401,423	100%	Total Cost \$ 492,067 100%
Fed / State	155,000	39%	Fed / State 190,000 39%
Fees / Fund Raising	50,000	13%	Fees / Fund Raising 50,000 10%
County Funds	20,000	5%	County Funds 55,000 11%
SERVICE AND FINANCIAL DATA			
Service and Cost Distribution (estimated) for:			
Municipality	Individuals Served		Units of Service
Albany	2		174
Bartlett	7		598
Brookfield	1		58
Chatham	1		58
Conway	60		4620
Eaton	1		58
Effingham	1		58
Freedom	2		266
Hale's Location	1		58
Hart's Location	1		58
Jackson	1		26
Madison	14		1400
Moultonborough	3		182
Ossipee	7		708
Sandwich	1		58
Tamworth	5		514
Tuftonboro	1		58
Wakefield	2		38
Wolfeboro	9		1010
TOTALS	120		10,000

Board of Directors: On a separate page, please provide the name of each member of your agency's board of directors and a detail of what, if any, compensation each Director receives.

Additional Documentation: Please provide a copy of the organization's most recent annual financial statement, bylaws, certificate of incorporation and proof of non-profit status.

Provide a brief narrative description of the program(s) for which you are requesting funding.

Within the narrative:

- a. Describe the problem which the program will address.
- b. Describe the services to be provided and/or the activities to be engaged in.
- c. Describe the target population as succinctly as possible, including the geographical coverage, age group and/or other special characteristics.
- d. Mission Statement

Through our long-term care programs, Visiting Nurse Home Care & Hospice of Carroll County (VNHCH) Provides comprehensive home care services throughout the county to seniors, adults living with Disabilities, their families and caregivers. Our services include information and referral, case management, Nursing assessments, care coordination and supervision, home health aides, homemaking, family caregiver Training and support, advocacy and advance care planning. Individual assessments are done on all clients To determine needs. These needs are reassessed on a periodic basis to ensure that the appropriate hours of Care are provides. Through coordination and access to other agency programs such as skilled home care and Hospice, our clients have access to a wide range of services that integrate and coordinate with their Long-term programs.

VNHCH's unique modes of care coordinates services from one central point, which minimizes duplication While providing the right level of care at the right time. We are consistently working on staffing models That provide ongoing support that are structured to meet individual client's needs. Although workforce Is a nationwide concern VNHCH has been successful in recruiting and retaining staff to meed the needs of Our clients.

As a not-for-profit agency, we are proud of our mission:-

"Using our passion for compassion to provide exceptional home health care
That enables independent living and quality of life for our clients and their families."

CERTIFICATION BY AUTHORIZED REPRESENTATIVES

The undersigned hereby certifies and represents that:

- 1. The information contained in this application and attached appendices is, to the best of my knowledge, accurate and complete;
- 2. The undersigned is authorized to act on behalf of the organization in submitting this application.

SIGNATURES

Sandra Ruka, MSN RN Executive Director

Karen Royer LTC Biller/Payroll Admin

Executive Director/CEO/Administrator Printed Name

Preparer's Printed Name & Title

Signature

Signature

Date

9-29-22

Date

9-29-22

Visiting Nurse Home Care & Hospice of Carroll County
 PO Box 432
 North Conway, NH 03860

CATEGORY	SOURCE, TITLE, ACT	6/30/2021	6/30/2022	Budget FY 22	Actual 8/31/2022	Budget FY 23
1 FEES	CLIENT and SUPPORT FEES	943,542	855,499	936,000	128,233	880,975
2 FEDERAL	OAA: TITLE III B	53,156	47,882	55,000	7,226	50,000
3	MEDICARE	2,033,697	2,471,875	2,050,000	351,363	2,503,725
4 STATE	TITLE XX: AIHC / HM	128,658	104,622	125,000	15,636	105,000
5	TITLE XIX: MEDICAID	287,738	217,792	300,000	27,751	230,000
6	SERVICELINK	-	-	-	-	-
7	ADRD RESPITE	-	-	-	-	-
8 COUNTY	CARROLL COUNTY	75,000	75,000	75,000	12,500	75,000
MUNICIPAL / TOWN						
9 FUNDRAISING / PROGRAM SUPPORT		49,011	38,722	40,000	7,990	40,000
10 GRANTS, BEQUESTS, DONATIONS		60,387	135,481	75,000	2,183	100,000
11 OTHER	MISCELLANEOUS	699,543	(379,967)	186,400	53,835	137,500
12 OTHER	COVID-19 Support	592,328	-	-	-	-
TOTALS	ALL SOURCES	4,923,060	3,566,906	3,842,400	606,717	4,122,200
EXPENSES						
1 Salaries		2,035,441	2,080,605	2,260,000	319,662	2,263,000
2 Payroll Taxes		147,287	151,570	150,000	26,648	170,330
3 Benefits		346,170	358,626	417,000	63,800	426,760
4 Transportation		142,036	138,157	139,400	23,030	141,255
5 Program Supplies		83,427	133,630	97,000	18,317	119,485
6 Office Supplies		23,033	31,668	26,000	4,215	28,000
7 Contract Services		312,976	359,629	335,000	73,028	425,400
8 Occupancy & Utilities		76,533	98,460	81,000	15,961	95,986
9 Maintenance & Repairs		102,443	103,645	110,000	16,283	108,000
10 Printing & Advertising		44,380	53,469	43,000	14,839	41,000
11 Dues & Fees		55,746	59,349	58,000	10,212	62,000
12 Insurance		26,748	28,598	27,000	4,930	28,000
13 Training		2,903	6,110	7,500	2,573	46,000
14 Miscellaneous		15,993	16,365	12,250	1,222	12,000
15 Merger Expense		-	-	-	-	-
16 Depreciation		23,699	25,571	30,000	4,000	30,000
17 Fundraising		11,100	12,153	13,450	416	13,000
18 Bad Debt		36,000	41,000	35,000	6,000	36,000
TOTAL		3,485,915	3,698,605	3,841,600	605,136	4,046,216
		1,437,145	(131,699)	800	1,581	75,984

Visiting Nurse Home Care & Hospice of Carroll County
Board of Directors
Effective 11/17/21

2021-2024

Myles Crowe, President

2021-2024

Andrea Masters, Vice President

2021-2024

Ashley Gore, Treasurer

2021-2024

Tyler Cyr, Secretary

2021-2024

Theresa "Tracy" Grisez

2020-2022

2021-2024

Joan Lanoie

2020-2022

Valerie Lozier, PsyD, FNP-BC

2021-2024

Patricia Mason

2020-2022

Gail Paine

2020-2022

Susan Ruka

2020-2022

Diane Ryan



FINANCIAL STATEMENTS

June 30, 2021 and 2020

With Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Visiting Nurse Home Care & Hospice of Carroll County

We have audited the accompanying financial statements of Visiting Nurse Home Care & Hospice of Carroll County, which comprise the balance sheets as of June 30, 2021 and 2020, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Visiting Nurse Home Care & Hospice of Carroll County as of June 30, 2021 and 2020, and the results of its operations, changes in its net assets and its cash flows for the years then ended, in accordance with U.S. GAAP.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
November 2, 2021

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Balance Sheets

June 30, 2021 and 2020

ASSETS

	<u>2021</u>	<u>2020</u>
Current assets		
Cash and cash equivalents	\$ 1,631,610	\$ 1,466,892
Patient accounts receivable, net	518,378	326,819
Other current assets	<u>130,770</u>	<u>128,185</u>
Total current assets	2,280,758	1,921,896
Assets limited as to use	3,470,968	2,814,276
Property and equipment, net	<u>36,363</u>	<u>50,074</u>
Total assets	\$ <u>5,788,089</u>	\$ <u>4,786,246</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and accrued liabilities	\$ 42,029	\$ 36,836
Accrued payroll and related expenses	272,473	199,888
CARES Act Funding	<u>-</u>	<u>527,281</u>
Total current liabilities	<u>314,502</u>	<u>764,005</u>
Net assets		
Without donor restrictions	5,440,839	4,003,694
With donor restrictions	<u>32,748</u>	<u>18,547</u>
Total net assets	<u>5,473,587</u>	<u>4,022,241</u>
Total liabilities and net assets	\$ <u>5,788,089</u>	\$ <u>4,786,246</u>

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

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Statements of Operations

Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating revenue		
Net patient service revenue	\$ 3,229,646	\$ 2,827,293
Grant revenue	222,064	203,969
Net assets released for operations	9,799	21,527
CARES Act and other operating revenue	<u>674,716</u>	<u>121,533</u>
Total operating revenue	<u>4,136,225</u>	<u>3,174,322</u>
Operating expenses		
Salaries and benefits	2,528,898	2,401,036
Other operating expenses	897,318	817,850
Depreciation	<u>23,699</u>	<u>27,037</u>
Total operating expenses	<u>3,449,915</u>	<u>3,245,923</u>
Operating gain (loss)	<u>686,310</u>	<u>(71,601)</u>
Other revenue and gains		
Contributions	59,849	84,105
Investment income, net	73,840	69,406
Change in fair value of investments	<u>617,146</u>	<u>82,285</u>
Total other revenue and gains	<u>750,835</u>	<u>235,796</u>
Excess of revenue over expenses and increase in net assets without donor restrictions	<u>\$ 1,437,145</u>	<u>\$ 164,195</u>

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

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Statements of Changes in Net Assets

Years Ended June 30, 2021 and 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balances, June 30, 2019	\$ <u>3,839,499</u>	\$ <u>9,073</u>	\$ <u>3,848,572</u>
Excess of revenue over expenses	164,195	-	164,195
Net assets released from restrictions	-	(21,527)	(21,527)
Contributions	<u>-</u>	<u>31,001</u>	<u>31,001</u>
Increase in net assets	<u>164,195</u>	<u>9,474</u>	<u>173,669</u>
Balances, June 30, 2020	<u>4,003,694</u>	<u>18,547</u>	<u>4,022,241</u>
Excess of revenue over expenses	1,437,145	-	1,437,145
Net assets released from restrictions	-	(9,799)	(9,799)
Contributions	<u>-</u>	<u>24,000</u>	<u>24,000</u>
Increase in net assets	<u>1,437,145</u>	<u>14,201</u>	<u>1,451,346</u>
Balances, June 30, 2021	\$ <u><u>5,440,839</u></u>	\$ <u><u>32,748</u></u>	\$ <u><u>5,473,587</u></u>

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

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Statements of Cash Flows

Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Increase in net assets	\$ 1,451,346	\$ 173,669
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	23,699	27,037
Change in fair value of investments	(617,146)	(82,285)
(Increase) decrease in		
Patient accounts receivable	(191,559)	80,267
Other current assets	(2,585)	(12,415)
Increase (decrease) in		
Accounts payable and accrued liabilities	5,193	(3,644)
Accrued payroll and related expenses	72,585	40,569
CARES Act Provider Relief Funds	(527,281)	<u>527,281</u>
Net cash provided by operating activities	<u>214,252</u>	<u>750,479</u>
Cash flows from investing activities		
Investment purchases	(398,381)	(1,160,083)
Proceeds from sale of investments	358,835	1,121,402
Capital expenditures	<u>(9,988)</u>	<u>-</u>
Net cash used by investing activities	<u>(49,534)</u>	<u>(38,681)</u>
Net increase in cash and cash equivalents	164,718	711,798
Cash and cash equivalents, beginning of year	<u>1,466,892</u>	<u>755,094</u>
Cash and cash equivalents, end of year	<u>\$ 1,631,610</u>	<u>\$ 1,466,892</u>

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

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

1. Summary of Significant Accounting Policies

Organization

Visiting Nurse Home Care & Hospice of Carroll County (the Association) is a non-stock, non-profit corporation organized in the State of New Hampshire. The Association's primary purpose is to provide comprehensive home care services to communities in New Hampshire.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified as described below based on the existence or absence of donor-imposed restrictions in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-For-Profit Entities*. Under FASB ASC Topic 958 and FASB ASC Topic 954, *Health Care Entities*, all not-for-profit healthcare organizations are required to provide a balance sheet, a statement of operations, a statement of changes in net assets, and a statement of cash flows. FASB ASC Topic 954 requires reporting amounts for an organization's total assets, liabilities, and net assets in a balance sheet; reporting the change in an organization's net assets in statements of operations and changes in net assets; and reporting the change in its cash and cash equivalents in a statement of cash flows.

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

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

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

Income Taxes

The Association is a not-for-profit corporation as described in under Section 501(c)(3) of the Internal Revenue Code (IRC). As a public charity, the Association is exempt from state and federal income taxes on income earned in accordance with its tax-exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Association's tax positions and concluded that the Association has no unrelated business income or uncertain tax positions that require adjustment to the financial statements.

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

The Association has cash deposits in a major financial institution which may exceed federal depository insurance limits. The Association has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk with respect to these accounts.

Patient Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides a reserve for payment adjustments by analyzing past history and identification of trends for all funding sources in the aggregate. Management regularly reviews data about revenue in evaluating the sufficiency of the reserve, which is netted against accounts receivable. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for payment adjustments.

Patient accounts receivable amounted to \$518,378, \$326,819, and \$407,086 as of June 30, 2021, 2020, and 2019, respectively.

Assets Limited As To Use

The Association reports investments at fair value and has elected to report all gains and losses in the excess of revenue over expenses to simplify the presentation of these accounts in the statement of operations, unless otherwise stipulated by the donor or State law.

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

Assets limited as to use consist of assets designated by the board for long-term growth.

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Maintenance, repairs and minor renewals are expensed as incurred and renewals and betterments are capitalized. Provision for depreciation is computed using the straight-line method over the useful lives of the related assets.

Net Patient Service Revenue

Services to all patients are recorded as revenue when services are rendered at the estimated net realizable amounts from patients, third-party payors and others, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and in future periods as final settlements are determined. Patients unable to pay full charge, who do not have other third-party resources, are charged a reduced amount based on the Association's published sliding fee scale. Reductions in full charge are recognized when the service is rendered.

Performance obligations are determined based on the nature of the services provided by the Association. Revenue for performance obligations satisfied over time is recognized based on actual services rendered. Generally, performance obligations satisfied over time relate to patients receiving skilled and non-skilled services in their home or facility. The Association measures the period over which the performance obligation is satisfied from admission to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge.

Providers of home health services to clients eligible for Medicare home health benefits are paid on a prospective basis, with no retrospective settlement. The prospective payment is based on the scoring attributed to the acuity level of the client at a rate determined by federal guidelines. As the performance obligations for home health services are met, revenue is recognized based upon the portion of the transaction price allocated to the performance obligation. The transaction price is the prospective payment determined for the medically necessary services.

Providers of hospice services to clients eligible for Medicare hospice benefits are paid on a per-diem basis, with no retrospective settlement, provided the Association's aggregate annual Medicare reimbursement is below a predetermined aggregate capitated rate. Revenue is recognized as the services are performed based on the fixed rate amount. As the performance obligations for hospice services are met, revenue is recognized based upon the portion of the transaction price allocated to the performance obligation. The transaction price is the predetermined aggregate capitated rate per day.

Because all of the Association's performance obligations relate to short-term periods of care, the Association has elected to apply the optional exemption provided in FASB ASC Subtopic 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statement of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same year as received are reflected as contributions without donor restrictions in the accompanying financial statements.

COVID-19

On March 11, 2020, the World Health Organization declared the Coronavirus disease (COVID-19) a global pandemic. In response to the global pandemic, The Centers for Medicare & Medicaid Services implemented certain relief measures and also issued guidance for limiting the spread of COVID-19.

Local, U.S., and world governments encouraged self-isolation to curtail the spread of COVID-19, by mandating the temporary shut-down of business in many sectors and imposing limitations on travel and the size and duration of group meetings. Many sectors are experiencing disruption to business operations and may feel further impacts related to delayed government reimbursement, volatility in investment returns, and reduced philanthropic support. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them.

The U.S. government has responded with several phases of relief legislation as a response to the COVID-19 outbreak. Legislation enacted into law on March 27, 2020, called the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), a statute to address the economic impact of the COVID-19 outbreak. The CARES Act, among other things, 1) authorizes emergency loans to distressed businesses by establishing, and providing funding for, forgivable bridge loans; 2) provides additional funding for grants and technical assistance; 3) delays due dates for employer payroll taxes and estimated tax payments for corporations; and 4) revises provisions of the IRC, including those related to losses, charitable deductions, and business interest. The Association received emergency grant funding under the CARES Act during the year ended June 30, 2020, totaling \$136,384 to offset the impact of COVID-19. Management believes the Association met the conditions necessary to recognize these contributions during the year ended June 30, 2021, based on its understanding of the requirements related to lost revenues and COVID-related expenses. The Association also received \$63,750 and \$39,000 of CARES Act money passed through the State of New Hampshire for hazard pay during the years ended June 30, 2021, and June 30, 2020, respectively. These funds are recognized as CARES Act and other operating revenue in the financial statements. Management believes the position taken is a reasonable interpretation of the rules, subject to any further clarification.

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

On April 17, 2020, the Association received a loan from the U.S. Small Business Association (SBA) under the CARES Act Paycheck Protection Program (PPP) in the amount of \$385,805. The loan is to be used for payroll and other allowable costs authorized in the PPP rules, and forgiveness of the loan balance is dependent upon compliance with this and other terms and conditions of the CARES Act. Funds used for unauthorized purposes are required to be repaid. The Association incurred sufficient qualifying expenses as of June 30, 2021 to meet the conditions for forgiveness and the loan was forgiven on January 5, 2021. Therefore, the refundable advance is recognized as CARES Act and other operating revenue in the 2021 financial statements. Due to the complexity of the reporting requirements, there is a possibility that the SBA may perform further scrutiny over the forgiveness application in the future. Management believes the position taken is a reasonable interpretation of the rules, subject to any further clarification.

2. Availability and Liquidity of Financial Assets

As of June 30, 2021, the Association has working capital of \$1,966,256 and average days (based on normal expenditures) cash and liquid investments on hand of 174 which includes only cash and cash equivalents, as all investments are board designated for investment.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses and capital acquisitions not financed with debt or restricted funds (unfunded capital expenditures), were as follows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1,631,610	\$ 1,466,892
Patient accounts receivable, net	518,378	326,819
Grant receivable	<u>33,518</u>	<u>44,180</u>
Financial assets available to meet cash needs for general expenditures	<u>\$ 2,183,506</u>	<u>\$ 1,837,891</u>

The Association manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability;
- Maintaining adequate liquid assets; and
- Maintaining sufficient reserves to provide reasonable assurance that long-term commitments will continue to be met, ensuring the sustainability of the Association.

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

3. **Assets Limited As To Use**

Assets limited as to use, stated at fair value, are as follows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 39,472	\$ 39,792
Equity securities	1,351,264	1,066,416
Mutual funds	<u>2,080,232</u>	<u>1,708,068</u>
Total assets limited as to use	<u>\$ 3,470,968</u>	<u>\$ 2,814,276</u>

Fair Value Measurement

FASB ASC Topic 820, *Fair Value Measurement*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants and also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The fair value hierarchy within ASC Topic 820 distinguishes three levels of inputs that may be utilized when measuring fair value:

- Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2: Significant observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value of all the Association's investments is measured on a recurring basis using Level 1 inputs.

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

4. Property and Equipment

Property and equipment consists of the following:

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$ 372,455	\$ 362,467
Leasehold improvements	<u>155,877</u>	<u>155,877</u>
Total cost	528,332	518,344
Less accumulated depreciation	<u>491,969</u>	<u>468,270</u>
Property and equipment, net	\$ <u>36,363</u>	\$ <u>50,074</u>

5. Net Patient Service Revenue

Net patient service revenue is as follows:

	<u>2021</u>	<u>2020</u>
Medicare	\$ 2,032,730	\$ 1,963,306
Medicaid	287,738	284,607
Other third-party payers and private pay	<u>909,178</u>	<u>579,380</u>
Total	\$ <u>3,229,646</u>	\$ <u>2,827,293</u>

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. The Association believes that it is in substantial compliance with all applicable laws and regulations. However, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in net patient service revenue in the year that such amounts become known.

The Association provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Association does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. The cost to provide such services is not considered material to the financial statements.

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

In assessing collectability, the Association has elected the portfolio approach. This portfolio approach is being used as the Association has similar contracts with similar classes of patients. The Association reasonably expects that the effect of applying a portfolio approach to a group of contracts would not differ materially from considering each contract separately. Management's judgment to group the contracts by portfolio is based on the payment behavior expected in each portfolio category. As a result, management believes aggregating contracts (which are at the patient level) by the particular payor or group of payors results in the recognition of revenue approximating that which would result from applying the analysis at the individual patient level.

6. Functional Expenses

The Association provides various services to residents within its geographic location. Expenses related to providing these services are as follows:

	<u>2021</u>	<u>2020</u>
Program services		
Salaries and benefits	\$ 2,082,805	\$ 1,840,885
Other operating expenses		
Program supplies	60,492	60,655
Contract services	143,032	134,309
Transportation	137,717	101,173
Software maintenance	62,861	55,978
Other	251,601	213,323
Depreciation	<u>19,518</u>	<u>20,854</u>
Total program services	<u>2,758,026</u>	<u>2,427,177</u>
Administrative and general		
Salaries and benefits	446,093	560,151
Other operating expenses		
Contract services	169,944	166,629
Transportation	4,319	5,932
Software maintenance	13,464	16,598
Other	53,888	63,253
Depreciation	<u>4,181</u>	<u>6,183</u>
Total administrative and general	<u>691,889</u>	<u>818,746</u>
Total	<u>\$ 3,449,915</u>	<u>\$ 3,245,923</u>

The Association uses Medicare cost reporting methodology for allocation of expenses between program services and administrative and general.

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

7. Commitments and Contingencies

Leases

Leases that do not meet the criteria for capitalization are classified as operating leases with related rental charges to operations as incurred.

The following is a schedule, by fiscal year, of future minimum lease payments under operating leases for office facilities that have initial or remaining lease terms in excess of one year:

2022	\$ 47,836
2023	<u>4,973</u>
Total	<u>\$ 52,809</u>

Rental expense amounted to \$47,840 in 2021 and \$47,958 in 2020.

Malpractice Insurance

The Association insures its medical malpractice risks on a claims-made basis. There were no known malpractice claims outstanding at June 30, 2021 and 2020, which, in the opinion of management, will be settled for amounts in excess of insurance coverage, nor are there any unasserted claims or incidents which require loss accrual. The Association intends to renew coverage on a claims-made basis and anticipates that such coverage will be available in future periods.

8. Net Assets

Net assets without donor restrictions are fully available to support operations of the Association. Net assets with donor restrictions were as follows:

	<u>2021</u>	<u>2020</u>
Specific purpose		
Hospice pet care	\$ 4,665	\$ 4,665
Advanced care planning	1,000	3,500
Crossings program	5,425	10,382
Palliative program	13,529	-
Simple comforts	<u>8,129</u>	<u>-</u>
Total net assets with donor restrictions	<u>\$ 32,748</u>	<u>\$ 18,547</u>

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY

Notes to Financial Statements

June 30, 2021 and 2020

9. Concentration of Risk

The Association grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. Following is a summary of accounts receivable, by funding source:

	<u>2021</u>	<u>2020</u>
Medicare	64 %	63 %
Medicaid	4	5
Other	<u>32</u>	<u>32</u>
Total	<u>100 %</u>	<u>100 %</u>

10. Subsequent Events

For financial reporting purposes, subsequent events have been evaluated by management through November 2, 2021, which is the date the financial statements were available to be issued.

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY
(f/k/a as Visiting Nurse & Hospice Care Services of Northern Carroll County)

AMENDED AND RESTATED BYLAWS

ARTICLE I
NAME; LOCATION

SECTION 1. Name. The name of the corporation is Visiting Nurse Home Care & Hospice of Carroll County (hereinafter referred to as the “Corporation”). In addition, the Corporation may maintain and use the following trade names (and any other trade names as the Board of Directors deems appropriate from time to time) for so long as it deems it prudent, desirable or appropriate to do so in the course of conducting its business: “Visiting Nurse & Hospice Care Services of Northern Carroll County” and “Carroll County Health and Home Care Services”.

SECTION 2. Location. The principal place of business of the Corporation shall be located in North Conway, New Hampshire or any other place within the State of New Hampshire as the Board of Directors may time designate from time to time. The Corporation may also have a place or places of business or an office or offices at such other place or places, within or without the State of New Hampshire, as the Board of Directors may from time to time designate and the business of the Corporation requires.

ARTICLE II
MEMBERSHIP

SECTION 1. Members. Memorial Development Foundation, Inc. (“Memorial Development Foundation”) shall be the sole member of the Corporation.

SECTION 2. Annual Meeting. The annual meeting of the Corporation shall be held in North Conway, New Hampshire between November 1 and December 31 of each year, or at such other time on such other day and at such time and place as shall be fixed by the Board of Directors, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the election of Directors shall not be held on the day designated herein for any annual meeting of the member(s), or at any subsequent continuation after adjournment thereof, the election shall be held at a special meeting of the member(s) as soon thereafter as convenient or as provided in Section 6 of this Article.

SECTION 3. Special Meetings. Special meetings of the Corporation may be called by the President of the Board of Directors at any time and for any purpose(s) described in the meeting notice and shall be called by the President upon the written request of any three (3) Directors or any member entitled to vote, any such meeting to be held within thirty (30) days of the President's receipt of the request therefore. A member may waive notice of any

meeting either (i) in writing (which shall be filed with the minutes) or (ii) by attending any meeting unless the member objects at the beginning of the meeting to holding the meeting or transacting business at the meeting.

SECTION 4. Notice. Notice of any annual or special meetings shall be in writing and given to the member(s) at least ten (10) days prior to the meeting. Notices may be given in person, by telegram or other form of wire or wireless communication, or by mail or private carrier. Notice of a special meeting shall set forth the matters to be acted upon and only matters so set forth shall be acted upon at the meeting.

SECTION 5. Quorum; Proxies. One duly authorized representative of Memorial Development Foundation, the sole member, shall constitute a quorum at any meeting of the Corporation or at any adjournment thereof. The member may vote in person by its duly authorized representative or by its Board of Directors, or may vote by proxy executed in writing by a duly authorized representative.

SECTION 6. Member Action Without a Meeting. Any action required or permitted to be taken by the member of the Corporation at a meeting may be taken without a meeting if a written consent describing the action taken is signed by the duly authorized representative of the Memorial Development Foundation (after vote or consent of the Board of Directors of Memorial Development Foundation) and filed with the Corporation's records. Such signed consent has the effect of a meeting vote and may be described as such in any document.

ARTICLE III **DIRECTORS**

SECTION 1. Powers. The Corporation shall be governed and its operation shall be directed by its Board of Directors which shall have charge, control and management of the affairs, properties and funds of the Corporation and which shall have the power and authority to do and perform all acts and functions not inconsistent with the law or these Bylaws, or with any action taken at any meeting of the Board of Directors of the Corporation and currently in effect.

SECTION 2. Number and Qualification. The Board of Directors shall be composed of not less than five (5) nor more than twelve (12) persons, as determined (or amended from time to time) by resolution of either the member or the Board of Directors, such persons to be qualified and elected as herein provided. Each Director shall be a voting Director, including the President of the Memorial Development Foundation who shall serve as a member of the Board of Directors ex-officio. No person may be elected to serve as a Director of the Corporation unless nominated by the Board of Directors or its duly authorized Nominating Committee. Directors may serve multiple, consecutive terms. At least five (5) of the Directors shall not be of the same immediate family or related by blood or marriage absent the approval of the director of the NH Division of Charitable Trusts.

SECTION 3. Election and Tenure. Each Director shall be qualified and elected by

Memorial Development Foundation as set forth in Article II, Section 2, and shall hold office for a term of three (3) years or until his/her successor is qualified and elected. The terms of the Directors shall be arranged so that, as nearly as possible, one-third (1/3) of the total number of Directors shall be elected at each annual meeting of the Corporation.

SECTION 4. Regular Meetings. The Board of Directors may provide by resolution the time and place, either within or without the State of New Hampshire, for the holding of regular meetings without other notice than such resolution.

SECTION 5. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or a majority of directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place within the State of New Hampshire as the place for holding any such special meeting of the Board of Directors, provided, however, that a special Directors' meeting called expressly for the purpose of removal of one (1) or more directors shall be held at the principal business office of the Corporation in the State of New Hampshire, or in the County in New Hampshire in which the principal business office of the Corporation is located.

SECTION 6. Notice of Meetings. Notice of the time and place of any meeting shall be given at least four (4) days prior thereto by written notice delivered personally or mailed to directors at their business address, or by telegram or other form or wire or wireless communication. If mailed, such notice shall be deemed to be delivered five (5) days after it is deposited with postage prepaid in the United States mail. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegram company. Any Director may waive notice of any meeting in writing filed with the minutes of the meeting. In addition, the attendance of a Director at or participation in a meeting shall constitute a waiver of notice for such a meeting, except where a Director at the beginning of a meeting or promptly upon his/her arrival objects to holding the meeting or to the transaction of any business at the meeting and does not thereafter vote for or assent to action taken at the meeting. Except as otherwise required, neither the business to be transacted at nor the purpose of any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. A meeting of the Board of Directors may be held at any time without notice, if all of the Directors are present, or if those not present waive notice of the meeting in writing and such waiver is filed with the minutes of the meeting.

SECTION 7. Quorum; Manner of Acting; Proxies. A majority of members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided, however, that if less than a quorum of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without notice other than an announcement at the meeting, until the requisite number of Directors shall be present. A Director may participate in a meeting by any means of communication by which all Directors participating may simultaneously hear each other during the meeting and is deemed to be present in person at the meeting when participating in this manner. The action of a majority of the Directors present at a meeting at which a quorum is present shall be the action of the Board of Directors. Each Director shall be entitled to one (1) vote on matters before the

Board. No voting by proxy shall be permitted at any meeting of the Directors.

SECTION 8. Director Action Without a Meeting. Unless the Articles of Agreement provide otherwise, any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if the action is taken by unanimous written consent of the Board of Directors as evidenced by one (1) or more written consents describing the action taken, signed by each Director and filed with the minutes or records of the Corporation. Action taken by consent is effective when the last Director signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be described as such in any document.

SECTION 9. Vacancies. A vacancy shall be deemed to exist in the Board of Directors when a Director (a) fails to accept the office within fifteen (15) days after notice thereof; (b) is removed; (c) dies; or (d) resigns. Any Director who is absent without excuse from three (3) regular meetings of the Board during one (1) year may be deemed by the Board to have resigned from the Board. The Board shall, by resolution, define those absences to be deemed unexcused. In the event of any vacancy on the Board of Directors, the remaining Directors shall, by a majority vote, appoint a new Director to fill such vacancy from a list of individuals approved by the Board of Directors of Memorial Development Foundation and said appointee shall hold office for the unexpired term of such predecessor in office and until such Director's successor shall have been elected and qualified. In the absence of such a list, the Board of Directors shall appoint a new Director to fill such vacancy for the unexpired term of the predecessor in office, subject to veto by Memorial Development Foundation at its next meeting. If so vetoed, such new Director shall be deemed to have resigned effective as of the date of the veto and a new Director must be appointed to fill the vacancy.

SECTION 10. Resignation and Removal. Any Director may resign at any time by giving written notice of such resignation to the Secretary. Such resignation, which may be made contingent upon formal acceptance, shall take effect on the date of receipt or at any later time specified therein. Any Director may be removed from office at any time, with or without cause, by (i) Memorial Development Foundation, or (ii) the affirmative vote of the majority of the full Board of Directors, with or without cause, whenever in the judgment of a majority of the full Board of Directors the best interests of the Corporation will be served thereby, provided a statement of such proposed action is contained in the notice of meeting and provided that written notice of such proposed action is given to the affected Director either by delivery to him or her, in person, not less than fifteen (15) days before the meeting or by mailing the same, not less than twenty (20) days before the meeting, by certified mail, with return receipt requested, addressed to such Director at his or her last known place of abode, with a copy delivered or mailed to Memorial Development Foundation in the same manner. Any removal of a Director by the Board of Directors shall be subject to veto or reversal by Memorial Development Foundation within twenty (20) days after taking such action.

SECTION 11. Board Member of Memorial Development Foundation. The Executive Director of the Corporation shall serve, ex-officio, as a director of Memorial Development Foundation. In the absence of an Executive Director, the Board of Directors shall designate a

Director to serve on an interim basis in the Executive Director's stead, subject to approval by Memorial Development Foundation.

ARTICLE IV **OFFICERS**

SECTION 1. Officers. The Board of Directors annually shall elect a President, Vice President, Secretary and Treasurer, and from time to time may elect one or more other officers and assistant officers as it may deem necessary or proper. The President, Vice President, Secretary and Treasurer must be members of the Board of Directors. Any number of offices may be held by the same person, except that no person may hold the office of President and Secretary or Treasurer. No employee of the Corporation shall hold the position of President or presiding officer of the Board absent the approval of the director of the NH Division of Charitable Trusts.

SECTION 2. Term. The term of office of all officers shall be one (1) year and until their respective successors are qualified and elected.

SECTION 3. President. The President shall supervise the affairs of the Corporation, subject to the direction of the Board of Directors, and shall preside at all meetings of the Corporation and the Board of Directors. The President may sign, individually or with the Treasurer or any other proper officer of the Corporation as authorized by the Board of Directors, documents or instruments which the Board of Directors shall have authorized to be executed, and in general shall perform all duties incident to the office of President and such other duties as may be assigned by the Board of Directors from time to time. It shall be the President's responsibility to see to it that all resolutions and orders of the Board of Directors are carried out.

SECTION 4. Vice President. The Vice President shall, in the absence or disability of the President, perform the duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as may from time to time be assigned by the President or by the Board of Directors.

SECTION 5. Secretary. The Secretary shall act as custodian of all records and reports of the Corporation, including the Board of Directors, and shall be responsible for making and keeping the minutes of all meetings of the Board of Directors and the Executive Committee and adequate records of all transactions other than financial transactions. The Secretary shall be the registered agent of the Corporation. He/she shall, in general, perform all the duties incident to the office of Secretary and such other duties as may be assigned by the President or the Board of Directors from time to time. With the approval of the Board of Directors, the Secretary may delegate any of these duties to such person acting under the supervision of the Secretary as the Board of Directors may approve.

SECTION 6. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds of the Corporation and related documents, receive and give receipt for monies due and payable to the Corporation from any source whatsoever, and deposit all such

monies in the name of the Corporation in such banks, trust companies, or depositories as shall be selected by the Board of Directors. He/she shall keep accurate books of account of all financial transactions of the Corporation, subject at all times to the inspection and control of the Board, and shall render an account of all transactions and the financial condition of the Corporation on a regular basis to the President and the Board of Directors. He/she shall, in general, perform all the duties incident to the office of Treasurer and as may be assigned by the President or the Board of Directors from time to time. He/she, at the expense of the Corporation, shall give a bond for the faithful performance of his or her duties as the Board of Directors may require. With the approval of the Board of Directors, the Treasurer may delegate any of these duties to such person acting under the supervision of the Treasurer as the Board of Directors may approve.

SECTION 7. Removal and Vacancies. Any officer may be removed from office at any time by the affirmative vote of the majority of the full Board of Directors, with or without cause, whenever in the judgment of a majority of the full Board of Directors the best interests of the Corporation will be served thereby. A vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

SECTION 8. Transfer of Authority. In the event of the absence of any officer of the Corporation or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may transfer the powers or duties of that officer to any other officer or to any Director or employee of the Corporation, provided a majority of the full Board of Directors concurs.

ARTICLE V **COMMITTEES**

SECTION 1. Committees Generally. Committees of the Board shall be standing or special/ad hoc. Each committee shall exercise such power and carry out such functions as are designated by these Bylaws or as delegated by the Board from time to time. Except as otherwise provided, committees shall be advisory only and subject to the control and authority of the Board. A quorum for the purpose of conducting any meeting of the committees shall be one-half of the committee members and the action of a majority of committee members at a meeting at which a quorum is present shall be the action of the committee.

SECTION 2. Standing Committees. Members of the following Standing Committees of the Board shall be nominated annually by the President subject to the approval of the Board. All Committees shall present their recommendations to the Board of Directors for approval.

A. Executive Committee

The Executive Committee shall be composed of the President, the Vice President, the Secretary and the Treasurer and the Executive Director. Between meetings of the Board of Directors, the Executive Committee shall have the power to act on behalf of the Board of Directors and take action relating to the operation of the Corporation not inconsistent with the established policies of the Board of

Directors as may be deemed advisable.

B. Finance Committee

The Finance Committee shall be chaired by the Treasurer. The Finance Committee shall establish, recommend, review, and approve all financial matters, present a recommended annual budget for the Corporation and review and make recommendations on all grant request budgets. It shall review with the Executive Director the staff salary schedule and increments. It shall be responsible for oversight and management of all investments of the Corporation, including arranging for all funds to be appropriately and prudently invested. The Finance Committee shall oversee the annual audit of the Corporation, including selection and recommendation of a qualified public accountant, subject to the approval of the Board of Directors, to make a thorough audit of the books of the Corporation at least annually. A written report showing the results of the audit shall be presented to the Board of Directors at its next regular meeting following completion of the audit.

C. Nominating Committee

The Nominating Committee shall consist of three (3) members who will:

1. Develop and present to the Board of Directors prior to its annual meeting a slate of recommended officers for the upcoming year;
2. Obtain and develop lists of potential candidates from present Board members and other community resources;
3. Review, evaluate and obtain agreement to serve from potential candidates for Directors; and
4. Prepare a slate of Directors to be nominated for the upcoming open terms and submit to the Memorial Development Foundation Nominating Committee at least three (3) weeks prior to the Memorial Development Foundation annual meeting.

SECTION 3. Special/Ad Hoc Committees. The Board may establish from time to time any special or *ad hoc* committees (including without limitation clinical, programmatic and/or advisory committees) it deems appropriate. A special or *ad hoc* committee shall be limited in its activities to the task for which it is appointed and shall have no power to act except as is specifically conferred by action of the Board. Upon completion of the task for which it is appointed, such special or *ad hoc* committee shall terminate.

ARTICLE VI
FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of July in each year, and shall end on the 30th day of June next following, unless otherwise determined by the Board of Directors.

ARTICLE VII
CORPORATE SEAL

The Board of Directors may provide for a corporate seal which may have inscribed thereon the name of the Corporation and the year of its organization, and may be in such form and contain such other words and/or figures as the Board of Directors shall determine. The corporate seal may be used by printing, engraving, lithographing, stamping or otherwise making, placing or affixing, or causing to be printed, engraved, lithographed, stamped or otherwise made, placed or affixed, upon any paper or document, by any process whatsoever, an impression, facsimile, or other reproduction of said corporate seal.

ARTICLE VIII
INDEMNIFICATION

To the extent legally permissible, the Corporation shall indemnify each person who may serve or who has served at any time as a director, officer or employee of the Corporation, against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, actually, necessarily and reasonably incurred by or imposed upon such officer, director or employee in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, in which such officer, director or employee is made a party or becomes involved by reason of the fact that he or she serves or served in such capacity as director, officer or employee (other than a proceeding voluntarily initiated by such officer, director or employee), provided that no indemnification shall be provided for any officer, director or employee with respect to any matter as to which the officer, director or employee shall have been adjudicated not to have acted in good faith in the reasonable belief that such officer's or director's or employee's action was in the best interests of the Corporation, nor for (1) any breach of the director's or officer's duty of loyalty to the corporation or its member(s), (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of law; or (3) any transaction from which the director, officer or employee derived an improper personal gain. Any compromise or settlement payment must be approved pursuant to the procedures under New Hampshire RSA 293-A:8.55 as it may be amended from time to time.

Such indemnification may, to the extent authorized by the Board, include payment by the Corporation of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of any officer, director or employee entitled to indemnification hereunder.

The right to indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled. Nothing contained in this Article shall affect any rights to indemnification to which Corporation directors, officers or employees may be entitled by contract or otherwise under law.

No amendment or repeal of the provisions of this Article which adversely affects the

rights of an officer, director or employee under this Article shall apply with respect to such officer's or director's or employee's acts or omissions that occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted for by or was made with the written consent of such officer, director or employee.

ARTICLE IX
CONFLICT OF INTEREST

Every Director, officer and committee member shall disclose to the Board of Directors any such conflict of interest or possible conflict of interest with regard to any issue and such possible conflict and disclosure shall be documented. No Director, officer or committee member shall vote on any issue, motion, or resolution which directly or indirectly inures to such individual's benefit financially or in which such Director, officer or committee member has a conflict of interest and no such person may be counted in determining that a quorum exists. The Board shall authorize the Corporation to enter into transactions only in accordance with the provisions of NH RSA 7:19-a and all other applicable federal or state laws or regulations, as they may exist from time to time. The Directors and Board of Directors shall also act in accordance with any Conflict of Interest policy of the Corporation.

ARTICLE X
AMENDMENTS

These Bylaws, once adopted, may be altered, amended or repealed and new bylaws adopted at any time, if so voted by a majority of the full Board of Directors at any meeting of the Board of Directors, provided that the substance of any proposed change must be stated in the notice of the meeting in which such action is to be taken, subject to repeal or change by the Memorial Development Foundation. Any such new or amended Bylaws shall not be inconsistent with the Articles of Agreement of the Corporation.

ARTICLE XI
CERTAIN RESTRICTIONS

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, directors, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in its Articles of Agreement. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office. Nothing herein shall preclude the Corporation from expressing its views with respect to legislation which may affect its operation, assets, or finances, subject to federal and state laws without violating the foregoing or any state laws. Notwithstanding any other provision of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on (a)

by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future federal tax law), or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future federal tax law).

I certify that the foregoing is a true copy of the Amended and Restated Bylaws of Visiting Nurse Home Care & Hospice of Carroll County as adopted by the Board of Directors thereof on June 14, 2011 and approved by Memorial Development Foundation on December 14, 2011.

Secretary
Visiting Nurse Home Care &
Hospice of Carroll County

#20921529

VISITING NURSE HOME CARE & HOSPICE OF CARROLL COUNTY
(f/k/a as Visiting Nurse & Hospice Care Services of Northern Carroll County)

AMENDED AND RESTATED BYLAWS

ARTICLE I
NAME; LOCATION

SECTION 1. Name. The name of the corporation is Visiting Nurse Home Care & Hospice of Carroll County (hereinafter referred to as the “Corporation”). In addition, the Corporation may maintain and use the following trade names (and any other trade names as the Board of Directors deems appropriate from time to time) for so long as it deems it prudent, desirable or appropriate to do so in the course of conducting its business: “Visiting Nurse & Hospice Care Services of Northern Carroll County” and “Carroll County Health and Home Care Services”.

SECTION 2. Location. The principal place of business of the Corporation shall be located in North Conway, New Hampshire or any other place within the State of New Hampshire as the Board of Directors may time designate from time to time. The Corporation may also have a place or places of business or an office or offices at such other place or places, within or without the State of New Hampshire, as the Board of Directors may from time to time designate and the business of the Corporation requires.

ARTICLE II
MEMBERSHIP

SECTION 1. Members. Memorial Development Foundation, Inc. (“Memorial Development Foundation”) shall be the sole member of the Corporation.

SECTION 2. Annual Meeting. The annual meeting of the Corporation shall be held in North Conway, New Hampshire between November 1 and December 31 of each year, or at such other time on such other day and at such time and place as shall be fixed by the Board of Directors, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the election of Directors shall not be held on the day designated herein for any annual meeting of the member(s), or at any subsequent continuation after adjournment thereof, the election shall be held at a special meeting of the member(s) as soon thereafter as convenient or as provided in Section 6 of this Article.

SECTION 3. Special Meetings. Special meetings of the Corporation may be called by the President of the Board of Directors at any time and for any purpose(s) described in the meeting notice and shall be called by the President upon the written request of any three (3) Directors or any member entitled to vote, any such meeting to be held within thirty (30) days of the President's receipt of the request therefore. A member may waive notice of any

meeting either (i) in writing (which shall be filed with the minutes) or (ii) by attending any meeting unless the member objects at the beginning of the meeting to holding the meeting or transacting business at the meeting.

SECTION 4. Notice. Notice of any annual or special meetings shall be in writing and given to the member(s) at least ten (10) days prior to the meeting. Notices may be given in person, by telegram or other form of wire or wireless communication, or by mail or private carrier. Notice of a special meeting shall set forth the matters to be acted upon and only matters so set forth shall be acted upon at the meeting.

SECTION 5. Quorum; Proxies. One duly authorized representative of Memorial Development Foundation, the sole member, shall constitute a quorum at any meeting of the Corporation or at any adjournment thereof. The member may vote in person by its duly authorized representative or by its Board of Directors, or may vote by proxy executed in writing by a duly authorized representative.

SECTION 6. Member Action Without a Meeting. Any action required or permitted to be taken by the member of the Corporation at a meeting may be taken without a meeting if a written consent describing the action taken is signed by the duly authorized representative of the Memorial Development Foundation (after vote or consent of the Board of Directors of Memorial Development Foundation) and filed with the Corporation's records. Such signed consent has the effect of a meeting vote and may be described as such in any document.

ARTICLE III **DIRECTORS**

SECTION 1. Powers. The Corporation shall be governed and its operation shall be directed by its Board of Directors which shall have charge, control and management of the affairs, properties and funds of the Corporation and which shall have the power and authority to do and perform all acts and functions not inconsistent with the law or these Bylaws, or with any action taken at any meeting of the Board of Directors of the Corporation and currently in effect.

SECTION 2. Number and Qualification. The Board of Directors shall be composed of not less than five (5) nor more than twelve (12) persons, as determined (or amended from time to time) by resolution of either the member or the Board of Directors, such persons to be qualified and elected as herein provided. Each Director shall be a voting Director, including the President of the Memorial Development Foundation who shall serve as a member of the Board of Directors ex-officio. No person may be elected to serve as a Director of the Corporation unless nominated by the Board of Directors or its duly authorized Nominating Committee. Directors may serve multiple, consecutive terms. At least five (5) of the Directors shall not be of the same immediate family or related by blood or marriage absent the approval of the director of the NH Division of Charitable Trusts.

SECTION 3. Election and Tenure. Each Director shall be qualified and elected by

Memorial Development Foundation as set forth in Article II, Section 2, and shall hold office for a term of three (3) years or until his/her successor is qualified and elected. The terms of the Directors shall be arranged so that, as nearly as possible, one-third (1/3) of the total number of Directors shall be elected at each annual meeting of the Corporation.

SECTION 4. Regular Meetings. The Board of Directors may provide by resolution the time and place, either within or without the State of New Hampshire, for the holding of regular meetings without other notice than such resolution.

SECTION 5. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or a majority of directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place within the State of New Hampshire as the place for holding any such special meeting of the Board of Directors, provided, however, that a special Directors' meeting called expressly for the purpose of removal of one (1) or more directors shall be held at the principal business office of the Corporation in the State of New Hampshire, or in the County in New Hampshire in which the principal business office of the Corporation is located.

SECTION 6. Notice of Meetings. Notice of the time and place of any meeting shall be given at least four (4) days prior thereto by written notice delivered personally or mailed to directors at the their business address, or by telegram or other form or wire or wireless communication. If mailed, such notice shall be deemed to be delivered five (5) days after it is deposited with postage prepaid in the United States mail. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegram company. Any Director may waive notice of any meeting in writing filed with the minutes of the meeting. In addition, the attendance of a Director at or participation in a meeting shall constitute a waiver of notice for such a meeting, except where a Director at the beginning of a meeting or promptly upon his/her arrival objects to holding the meeting or to the transaction of any business at the meeting and does not thereafter vote for or assent to action taken at the meeting. Except as otherwise required, neither the business to be transacted at nor the purpose of any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. A meeting of the Board of Directors may be held at any time without notice, if all of the Directors are present, or if those not present waive notice of the meeting in writing and such waiver is filed with the minutes of the meeting.

SECTION 7. Quorum; Manner of Acting; Proxies. A majority of members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided, however, that if less than a quorum of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without notice other than an announcement at the meeting, until the requisite number of Directors shall be present. A Director may participate in a meeting by any means of communication by which all Directors participating may simultaneously hear each other during the meeting and is deemed to be present in person at the meeting when participating in this manner. The action of a majority of the Directors present at a meeting at which a quorum is present shall be the action of the Board of Directors. Each Director shall be entitled to one (1) vote on matters before the

Board. No voting by proxy shall be permitted at any meeting of the Directors.

SECTION 8. Director Action Without a Meeting. Unless the Articles of Agreement provide otherwise, any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if the action is taken by unanimous written consent of the Board of Directors as evidenced by one (1) or more written consents describing the action taken, signed by each Director and filed with the minutes or records of the Corporation. Action taken by consent is effective when the last Director signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be described as such in any document.

SECTION 9. Vacancies. A vacancy shall be deemed to exist in the Board of Directors when a Director (a) fails to accept the office within fifteen (15) days after notice thereof; (b) is removed; (c) dies; or (d) resigns. Any Director who is absent without excuse from three (3) regular meetings of the Board during one (1) year may be deemed by the Board to have resigned from the Board. The Board shall, by resolution, define those absences to be deemed unexcused. In the event of any vacancy on the Board of Directors, the remaining Directors shall, by a majority vote, appoint a new Director to fill such vacancy from a list of individuals approved by the Board of Directors of Memorial Development Foundation and said appointee shall hold office for the unexpired term of such predecessor in office and until such Director's successor shall have been elected and qualified. In the absence of such a list, the Board of Directors shall appoint a new Director to fill such vacancy for the unexpired term of the predecessor in office, subject to veto by Memorial Development Foundation at its next meeting. If so vetoed, such new Director shall be deemed to have resigned effective as of the date of the veto and a new Director must be appointed to fill the vacancy.

SECTION 10. Resignation and Removal. Any Director may resign at any time by giving written notice of such resignation to the Secretary. Such resignation, which may be made contingent upon formal acceptance, shall take effect on the date of receipt or at any later time specified therein. Any Director may be removed from office at any time, with or without cause, by (i) Memorial Development Foundation, or (ii) the affirmative vote of the majority of the full Board of Directors, with or without cause, whenever in the judgment of a majority of the full Board of Directors the best interests of the Corporation will be served thereby, provided a statement of such proposed action is contained in the notice of meeting and provided that written notice of such proposed action is given to the affected Director either by delivery to him or her, in person, not less than fifteen (15) days before the meeting or by mailing the same, not less than twenty (20) days before the meeting, by certified mail, with return receipt requested, addressed to such Director at his or her last known place of abode, with a copy delivered or mailed to Memorial Development Foundation in the same manner. Any removal of a Director by the Board of Directors shall be subject to veto or reversal by Memorial Development Foundation within twenty (20) days after taking such action.

SECTION 11. Board Member of Memorial Development Foundation. The Executive Director of the Corporation shall serve, ex-officio, as a director of Memorial Development Foundation. In the absence of an Executive Director, the Board of Directors shall designate a

Director to serve on an interim basis in the Executive Director's stead, subject to approval by Memorial Development Foundation.

ARTICLE IV **OFFICERS**

SECTION 1. Officers. The Board of Directors annually shall elect a President, Vice President, Secretary and Treasurer, and from time to time may elect one or more other officers and assistant officers as it may deem necessary or proper. The President, Vice President, Secretary and Treasurer must be members of the Board of Directors. Any number of offices may be held by the same person, except that no person may hold the office of President and Secretary or Treasurer. No employee of the Corporation shall hold the position of President or presiding officer of the Board absent the approval of the director of the NH Division of Charitable Trusts.

SECTION 2. Term. The term of office of all officers shall be one (1) year and until their respective successors are qualified and elected.

SECTION 3. President. The President shall supervise the affairs of the Corporation, subject to the direction of the Board of Directors, and shall preside at all meetings of the Corporation and the Board of Directors. The President may sign, individually or with the Treasurer or any other proper officer of the Corporation as authorized by the Board of Directors, documents or instruments which the Board of Directors shall have authorized to be executed, and in general shall perform all duties incident to the office of President and such other duties as may be assigned by the Board of Directors from time to time. It shall be the President's responsibility to see to it that all resolutions and orders of the Board of Directors are carried out.

SECTION 4. Vice President. The Vice President shall, in the absence or disability of the President, perform the duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as may from time to time be assigned by the President or by the Board of Directors.

SECTION 5. Secretary. The Secretary shall act as custodian of all records and reports of the Corporation, including the Board of Directors, and shall be responsible for making and keeping the minutes of all meetings of the Board of Directors and the Executive Committee and adequate records of all transactions other than financial transactions. The Secretary shall be the registered agent of the Corporation. He/she shall, in general, perform all the duties incident to the office of Secretary and such other duties as may be assigned by the President or the Board of Directors from time to time. With the approval of the Board of Directors, the Secretary may delegate any of these duties to such person acting under the supervision of the Secretary as the Board of Directors may approve.

SECTION 6. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds of the Corporation and related documents, receive and give receipt for monies due and payable to the Corporation from any source whatsoever, and deposit all such

monies in the name of the Corporation in such banks, trust companies, or depositories as shall be selected by the Board of Directors. He/she shall keep accurate books of account of all financial transactions of the Corporation, subject at all times to the inspection and control of the Board, and shall render an account of all transactions and the financial condition of the Corporation on a regular basis to the President and the Board of Directors. He/she shall, in general, perform all the duties incident to the office of Treasurer and as may be assigned by the President or the Board of Directors from time to time. He/she, at the expense of the Corporation, shall give a bond for the faithful performance of his or her duties as the Board of Directors may require. With the approval of the Board of Directors, the Treasurer may delegate any of these duties to such person acting under the supervision of the Treasurer as the Board of Directors may approve.

SECTION 7. Removal and Vacancies. Any officer may be removed from office at any time by the affirmative vote of the majority of the full Board of Directors, with or without cause, whenever in the judgment of a majority of the full Board of Directors the best interests of the Corporation will be served thereby. A vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

SECTION 8. Transfer of Authority. In the event of the absence of any officer of the Corporation or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may transfer the powers or duties of that officer to any other officer or to any Director or employee of the Corporation, provided a majority of the full Board of Directors concurs.

ARTICLE V **COMMITTEES**

SECTION 1. Committees Generally. Committees of the Board shall be standing or special/ad hoc. Each committee shall exercise such power and carry out such functions as are designated by these Bylaws or as delegated by the Board from time to time. Except as otherwise provided, committees shall be advisory only and subject to the control and authority of the Board. A quorum for the purpose of conducting any meeting of the committees shall be one-half of the committee members and the action of a majority of committee members at a meeting at which a quorum is present shall be the action of the committee.

SECTION 2. Standing Committees. Members of the following Standing Committees of the Board shall be nominated annually by the President subject to the approval of the Board. All Committees shall present their recommendations to the Board of Directors for approval.

A. Executive Committee

The Executive Committee shall be composed of the President, the Vice President, the Secretary and the Treasurer and the Executive Director. Between meetings of the Board of Directors, the Executive Committee shall have the power to act on behalf of the Board of Directors and take action relating to the operation of the Corporation not inconsistent with the established policies of the Board of

Directors as may be deemed advisable.

B. Finance Committee

The Finance Committee shall be chaired by the Treasurer. The Finance Committee shall establish, recommend, review, and approve all financial matters, present a recommended annual budget for the Corporation and review and make recommendations on all grant request budgets. It shall review with the Executive Director the staff salary schedule and increments. It shall be responsible for oversight and management of all investments of the Corporation, including arranging for all funds to be appropriately and prudently invested. The Finance Committee shall oversee the annual audit of the Corporation, including selection and recommendation of a qualified public accountant, subject to the approval of the Board of Directors, to make a thorough audit of the books of the Corporation at least annually. A written report showing the results of the audit shall be presented to the Board of Directors at its next regular meeting following completion of the audit.

C. Nominating Committee

The Nominating Committee shall consist of three (3) members who will:

1. Develop and present to the Board of Directors prior to its annual meeting a slate of recommended officers for the upcoming year;
2. Obtain and develop lists of potential candidates from present Board members and other community resources;
3. Review, evaluate and obtain agreement to serve from potential candidates for Directors; and
4. Prepare a slate of Directors to be nominated for the upcoming open terms and submit to the Memorial Development Foundation Nominating Committee at least three (3) weeks prior to the Memorial Development Foundation annual meeting.

SECTION 3. Special/Ad Hoc Committees. The Board may establish from time to time any special or *ad hoc* committees (including without limitation clinical, programmatic and/or advisory committees) it deems appropriate. A special or *ad hoc* committee shall be limited in its activities to the task for which it is appointed and shall have no power to act except as is specifically conferred by action of the Board. Upon completion of the task for which it is appointed, such special or *ad hoc* committee shall terminate.

ARTICLE VI
FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of July in each year, and shall end on the 30th day of June next following, unless otherwise determined by the Board of Directors.

ARTICLE VII
CORPORATE SEAL

The Board of Directors may provide for a corporate seal which may have inscribed thereon the name of the Corporation and the year of its organization, and may be in such form and contain such other words and/or figures as the Board of Directors shall determine. The corporate seal may be used by printing, engraving, lithographing, stamping or otherwise making, placing or affixing, or causing to be printed, engraved, lithographed, stamped or otherwise made, placed or affixed, upon any paper or document, by any process whatsoever, an impression, facsimile, or other reproduction of said corporate seal.

ARTICLE VIII
INDEMNIFICATION

To the extent legally permissible, the Corporation shall indemnify each person who may serve or who has served at any time as a director, officer or employee of the Corporation, against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, actually, necessarily and reasonably incurred by or imposed upon such officer, director or employee in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, in which such officer, director or employee is made a party or becomes involved by reason of the fact that he or she serves or served in such capacity as director, officer or employee (other than a proceeding voluntarily initiated by such officer, director or employee), provided that no indemnification shall be provided for any officer, director or employee with respect to any matter as to which the officer, director or employee shall have been adjudicated not to have acted in good faith in the reasonable belief that such officer's or director's or employee's action was in the best interests of the Corporation, nor for (1) any breach of the director's or officer's duty of loyalty to the corporation or its member(s), (2) acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of law; or (3) any transaction from which the director, officer or employee derived an improper personal gain. Any compromise or settlement payment must be approved pursuant to the procedures under New Hampshire RSA 293-A:8.55 as it may be amended from time to time.

Such indemnification may, to the extent authorized by the Board, include payment by the Corporation of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of any officer, director or employee entitled to indemnification hereunder.

The right to indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled. Nothing contained in this Article shall affect any rights to indemnification to which Corporation directors, officers or employees may be entitled by contract or otherwise under law.

No amendment or repeal of the provisions of this Article which adversely affects the

rights of an officer, director or employee under this Article shall apply with respect to such officer's or director's or employee's acts or omissions that occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted for by or was made with the written consent of such officer, director or employee.

ARTICLE IX
CONFLICT OF INTEREST

Every Director, officer and committee member shall disclose to the Board of Directors any such conflict of interest or possible conflict of interest with regard to any issue and such possible conflict and disclosure shall be documented. No Director, officer or committee member shall vote on any issue, motion, or resolution which directly or indirectly inures to such individual's benefit financially or in which such Director, officer or committee member has a conflict of interest and no such person may be counted in determining that a quorum exists. The Board shall authorize the Corporation to enter into transactions only in accordance with the provisions of NH RSA 7:19-a and all other applicable federal or state laws or regulations, as they may exist from time to time. The Directors and Board of Directors shall also act in accordance with any Conflict of Interest policy of the Corporation.

ARTICLE X
AMENDMENTS

These Bylaws, once adopted, may be altered, amended or repealed and new bylaws adopted at any time, if so voted by a majority of the full Board of Directors at any meeting of the Board of Directors, provided that the substance of any proposed change must be stated in the notice of the meeting in which such action is to be taken, subject to repeal or change by the Memorial Development Foundation. Any such new or amended Bylaws shall not be inconsistent with the Articles of Agreement of the Corporation.

ARTICLE XI
CERTAIN RESTRICTIONS

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, directors, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in its Articles of Agreement. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office. Nothing herein shall preclude the Corporation from expressing its views with respect to legislation which may affect its operation, assets, or finances, subject to federal and state laws without violating the foregoing or any state laws. Notwithstanding any other provision of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on (a)

by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future federal tax law), or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future federal tax law).

I certify that the foregoing is a true copy of the Amended and Restated Bylaws of Visiting Nurse Home Care & Hospice of Carroll County as adopted by the Board of Directors thereof on June 14, 2011 and approved by Memorial Development Foundation on December 14, 2011.

Secretary
Visiting Nurse Home Care &
Hospice of Carroll County

#20921529

FILED

MAY - 2 1994

ARTICLES OF MERGER

WILLIAM M. GARDNER
NEW HAMPSHIRE

SECRETARY OF STATE

Pursuant to the provisions of RSA 292:7, the undersigned non-profit corporations have adopted the following articles of merger for the purpose of merging them into Visiting Nurse Services of Northern Carroll County:

1. The attached plan of merger was approved by each of the undersigned corporations: Hospice of Northern Carroll County and Visiting Nurse Services of Northern Carroll County.

2. As to each of the undersigned corporations, the plan of merger was adopted in the following manner:

(a) The plan of merger was adopted by Hospice of Northern Carroll County at a meeting of the board of directors held on MARCH 25, 1994, and received the vote of a majority of the directors in office, there being no members having voting rights in respect thereof.

(b) The plan of merger was adopted by Visiting Nurse Services of Northern Carroll County at a meeting of the board of directors held on April 5, 1994, and received the vote of a majority of the directors in office, there being no members having voting rights in respect thereof.

3. The manner of the adoption of the plan of merger and the vote by which it was adopted constitute full legal compliance with the provisions of RSA 282:7 and with the articles of agreement of the undersigned corporations.

4. The effective date of the merger is the date the certified copy of the adopting vote is recorded with the Office of the Secretary of State.

Dated: 3-25-94

Spam A. Malenfant
President
Hospice of Northern Carroll County

Dated: 4/5/94

James F. Brown
President
Visiting Nurse Services of
Northern Carroll County

Internal Revenue Service
District Director

Department of the Treasury

Post Office Box 1880, GPO
Brooklyn, NY 11202

Date: OCT 03 1990

Visiting Nursing Services of
Northern Carroll County, Inc.
P.O. Box 482
North Conway, NH 03860

Date of Exemption:
June, 1974
Internal Revenue Code Section:
501(c)(3)
Person to Contact:
C. Gauthier
Contact Telephone Number:
(617) 565-7776

Gentlemen:

Thank you for submitting the information shown below. We have made it a part of your file.

The changes indicated do not adversely affect your exempt status and the exemption letter issued to you continues in effect.

Please let us know about any further change in the character, purpose, method of operation, name or address of your organization. This is a requirement for retaining your exempt status.

Thank you for your cooperation.

Sincerely yours,



District Director

Item Changed: Amended Articles of Incorporation dated November 21, 1986

Letter 976(DO)(7-77)

Internal Revenue Service

6
File - Correspondence
Tax Exempt Status
Department of the Treasury

District
Director

JFK Federal Bldg., Boston, Mass. 02203

P.O. Box 9088

Person to Contact: P. McLaughlin

Telephone Number: (617) 223-3470

Refer Reply to: Taxpayer Service

Date: 1/20/82

VISITING NURSE SERVICES OF
NORTHERN CARROLL COUNTY INC.
Memorial Hospital
North Conway, N.H. 03860

Dear Sir or Madam:

This is in reply to your recent letter requesting a copy of an exemption letter for the above-named organization.

Records in this office show that a determination letter was issued in June, 1974 ruling that the organization was exempt from federal income tax under Section (now) 501(c)(3) of the Internal Revenue Code of 1954.

Records in this office show that the organization is exempt under Section (now) _____ of the Internal Revenue Code as part of a group ruling issued to _____

Further, the organization is not a private foundation because it is an organization described under Section 509(a)(2).

Further, the organization is a private foundation as described in Section 509(a) of the Internal Revenue Code of 1954.

This ruling remains in effect as long as there are no changes in the character, purposes or method of operation of the organization.

I trust the foregoing information will serve your purpose.

If you have any questions, you may contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

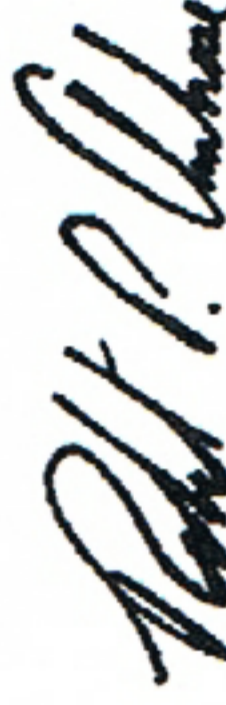
Anthony J. Caronaro

for
HERBERT R. MOSHER
District Director

State of New Hampshire
Department of State

The undersigned, as Deputy Secretary of State of the State of New Hampshire, hereby certifies that the attached Affidavit of Amendment to the Articles of Agreement of VISITING NURSE SERVICES OF NORTHERN CARROLL COUNTY, now VISITING NURSE AND HOSPICE CARE SERVICES OF NORTHERN CARROLL COUNTY, a New Hampshire nonprofit corporation, has been filed in this office.

IN TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire this 2nd day of May, 1994.



Robert P. Ambrose
Deputy Secretary of State

