



***EXPANDED BUSINESS PLAN FINANCIAL ANALYSIS***

***REGION:*** *Cleveland Clinic*

***ENTITY:*** *Respiratory Institute*

***PROJECT NAME:*** *Bronchoscopy Suite*

***START DATE:*** *January 1, 2010*

**POPULATE YELLOW CELLS WITH DATA**

*(all other cells will then automatically calculate)*

**TABLE OF CONTENTS**

**Financial Summary**

High level summary of income statement and financial ratios  
--- no inputs necessary

**Graphs**

Graphs: IP Admissions; OP Visits; Clinic Visits; Payor Mix (base year and year 5)  
--- no inputs necessary  
--- check graph scale/layout; change if necessary

**Summary Stats\_Ratios**

Summary of statistics and ratios  
--- only input necessary is service population data in green cells; may be omitted if information is unavailable

**Tech-Stats\_Revenues**

Statistics  
Gross Revenue  
Net Revenue  
Bad Debt  
Charity Care

**Pro-Stats\_Revenues**

Statistics  
Gross Revenue  
Net Revenue  
Bad Debt  
Charity Care

**Other Revenue**

Other Net Patient Revenue  
Other Operating Revenue

**Tech-Personnel**

FTEs  
Salaries  
Benefits

**Pro-Personnel**

FTEs  
Salaries  
Benefits

**Tech-Expenses**

All other expenses, including: medical supplies, implants, non-medical supplies, pharmaceuticals, purchased medical services, purchased non-medical services, utilities, facilities, operating leases, maintenance fees, insurance, professional services, research services, travel and education, other, and indirects

**Pro-Expenses**

All other expenses, including: medical supplies, implants, non-medical supplies, pharmaceuticals, purchased medical services, purchased non-medical services, utilities, facilities, operating leases, maintenance fees, insurance, professional services, research services, travel and education, other, and indirects

**Depreciation\_Interest**

Capital Expenditures  
Depreciation  
Interest Expense  
New Debt  
Capital Leases  
Balance Sheet adjustments

**Detailed Financial Summary**

Detailed Income statement  
Cash Flows  
Discount Factor  
--- input appropriate risk-adjustment factor  
Net Present Value  
IRR  
Payback Period  
Profitability Index

**List of Data Elements**

List of data elements for Base

**FINANCIAL SUMMARY**

	<b>BASE</b>	<b>PROJECTED</b>						
	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
Net Patient Service Revenue (Net of Charity Care)	3,955,359	-	1,650,481	1,954,857	2,215,734	2,510,592	2,766,885	2,992,636
Other Operating Revenue	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>3,955,359</b>	<b>-</b>	<b>1,650,481</b>	<b>1,954,857</b>	<b>2,215,734</b>	<b>2,510,592</b>	<b>2,766,885</b>	<b>2,992,636</b>
Personnel	359,160	-	381,033	439,559	490,116	547,011	599,245	643,666
Supplies	-	-	239,121	289,295	334,897	387,514	437,161	482,540
Pharmaceuticals	-	-	15,398	18,912	22,228	26,116	29,983	33,623
Purchased Services	-	-	10,000	10,310	10,630	10,959	11,299	11,649
Facilities	-	-	77,600	86,499	95,218	105,029	114,973	124,733
Insurance	-	-	-	-	-	-	-	-
Provision for Uncollectible Accounts	77,176	-	56,358	67,229	76,745	87,578	97,073	105,744
Administrative and General	-	-	10,000	10,583	11,095	11,653	12,075	12,519
<b>Operating Expenses before Interest and Depreciation</b>	<b>436,336</b>	<b>-</b>	<b>789,511</b>	<b>922,387</b>	<b>1,040,928</b>	<b>1,175,859</b>	<b>1,301,809</b>	<b>1,414,474</b>
<b>EBITDA</b>	<b>3,519,023</b>	<b>-</b>	<b>860,970</b>	<b>1,032,470</b>	<b>1,174,805</b>	<b>1,334,733</b>	<b>1,465,076</b>	<b>1,578,162</b>
Interest	-	-	-	-	-	-	-	-
Depreciation	-	-	174,343	348,685	348,685	348,685	348,685	348,685
<b>OPERATING INCOME</b>	<b>3,519,023</b>	<b>-</b>	<b>686,628</b>	<b>683,785</b>	<b>826,120</b>	<b>986,047</b>	<b>1,116,391</b>	<b>1,229,477</b>
Operating Margin	89.0%	0.0%	41.6%	35.0%	37.3%	39.3%	40.3%	41.1%
Cash Flow	3,519,023	-	860,970	1,032,470	1,174,805	1,334,733	1,465,076	1,578,162
Discount Factor		8.0%						
	<b>@ Discount</b>	<b>@ Discount</b>	<b>@ Discount</b>					
	<b>Factor - 2%</b>	<b>Factor</b>	<b>Factor + 2%</b>					
Net Present Value	2,353,994	1,945,187	1,585,406					
Profitability Index	1.72	1.60	1.50					
IRR	23.9%							
Payback Period	4 Year(s); 4 Month(s)							

**COPY ALL BLUE CELLS AND PASTE VALUE INTO THE FORECAST SECTION OF THE FINANCIALS TAB IN STRATA  
DO NOT PASTE FORMULAS**

	2009	2010	2011	2012	2013	2014	2015
<b><u>Revenue:</u></b>							
Technical Net Patient Revenue	-	1,310,321	1,553,307	1,762,084	1,998,223	2,214,351	2,396,810
Professional Net Patient Revenue	-	340,160	401,551	453,650	512,369	552,534	595,826
Other Net Patient Revenue	-	-	-	-	-	-	-
Unrestricted Contributions	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-
<b><u>Salaries &amp; Benefits:</u></b>							
Staff Salaries	-	196,267	226,413	252,454	281,760	308,666	331,547
Non-Staff Salaries	-	113,516	130,952	146,014	162,964	178,525	191,759
Employee Benefits	-	71,250	82,194	91,648	102,287	112,054	120,360
<b><u>Other Expenses:</u></b>							
Medical Supplies	-	214,832	254,469	288,440	326,828	361,881	391,374
Implants	-	-	-	-	-	-	-
Non-Medical Supplies	-	24,289	34,826	46,457	60,686	75,280	91,166
Pharmaceuticals	-	15,398	18,912	22,228	26,116	29,983	33,623
Purchased Medical Services	-	-	-	-	-	-	-
Purchased Non-Medical Services	-	10,000	10,310	10,630	10,959	11,299	11,649
Facilities	-	77,600	86,499	95,218	105,029	114,973	124,733
Insurance	-	-	-	-	-	-	-
Professional Services	-	5,000	5,100	5,202	5,306	5,412	5,520
Research Services	-	-	-	-	-	-	-
Travel & Education	-	5,000	5,483	5,893	6,347	6,663	6,999
Interest	-	-	-	-	-	-	-
Provision for Uncollectible Accounts	-	56,358	67,229	76,745	87,578	97,073	105,744
Other (includes Indirect Expenses)	-	-	-	-	-	-	-
<b><u>FTEs:</u></b>							
Staff	-	1.0	1.1	1.2	1.3	1.4	1.5
Non-Staff	-	2.0	2.2	2.4	2.6	2.8	2.9
<b><u>Patient Volumes:</u></b>							
Inpatient Admissions	-	-	-	-	-	-	-
Patient Days	-	-	-	-	-	-	-
Bronchoscopies	-	900	1,035	1,139	1,253	1,347	1,414
Clinic Visits	-	-	-	-	-	-	-
<b><u>Other Cash Flow Impacts:</u></b>							
Accounts Receivable	-	-	-	-	-	-	-
Accounts Payable	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	-	-	-	-
Other Cash Flow (Philanthropy)	-	1,200,000	-	-	-	-	-

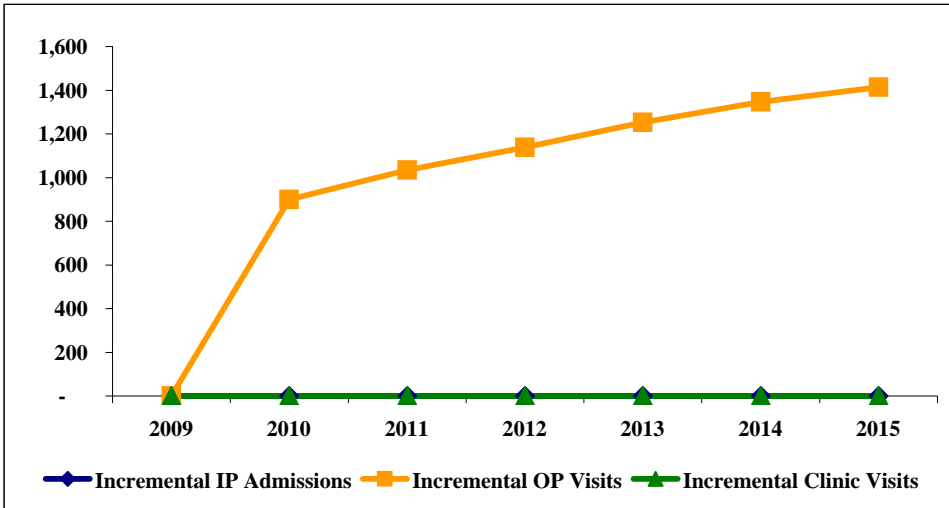
**NOTES**

\* All capital expenditures need to be entered directly into Strata

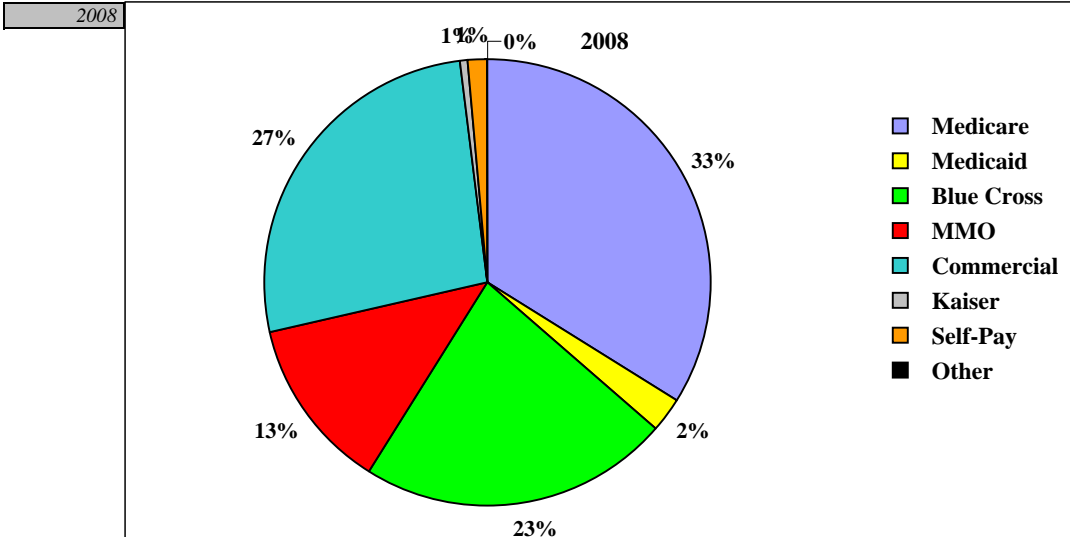
\*\* Depreciation will be calculated directly in Strata and will differ from the depreciation calculation in this template

**GRAPHS**

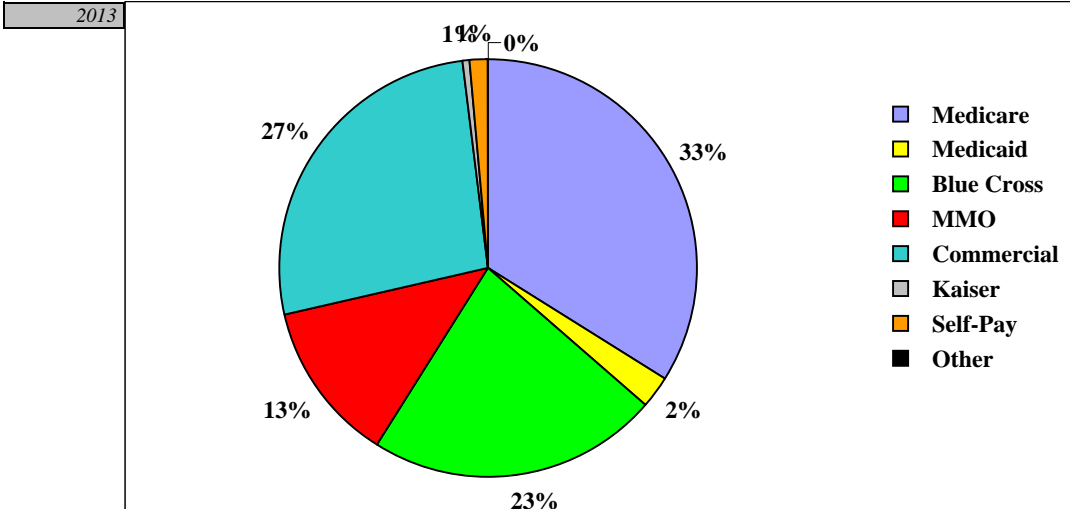
**VOLUME**



**PAYOR MIX  
BASE**

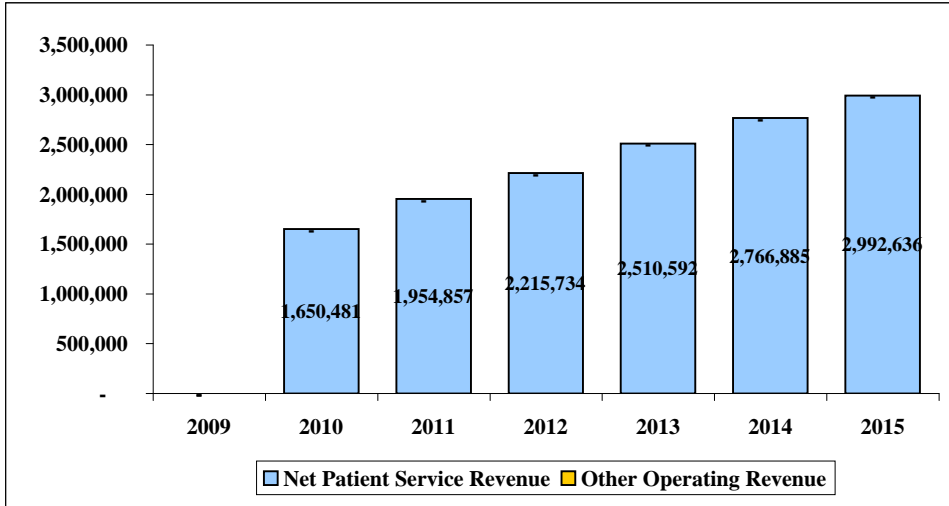


**PAYOR MIX  
YEAR 5 PROJECTED**

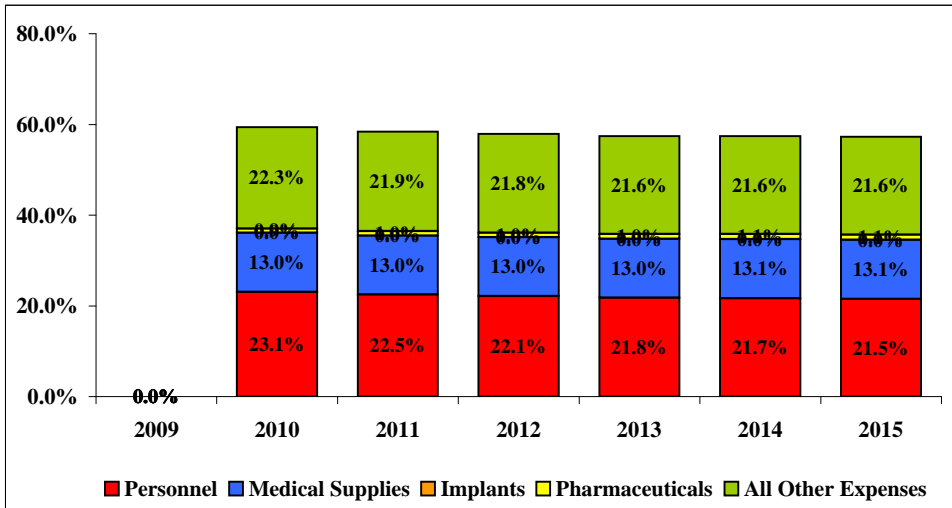


**GRAPHS**

**INCREMENTAL OPERATING REVENUE**



**EXPENSES AS % OF OPERATING REVENUE**



**Inflation Assumption**

	PROJECTED							Where did this assumption come from? (global assumptions, historical for service line, etc)
	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Fiscal Year 5	Fiscal Year 6	Fiscal Year 7	
	2009	2010	2011	2012	2013	2014	2015	
Inpatient Tech Gross Charge Inflation	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	global assumptions
Outpatient Tech Gross Charge Inflation	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	global assumptions
Projected IP Tech Reimbursement Growth %								
Medicare	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	global assumptions
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	global assumptions
Blue Cross	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	global assumptions
MMO	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	global assumptions
Commercial	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	global assumptions
Kaiser	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	global assumptions
Self-Pay	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Projected OP Tech Reimbursement Growth %								
Medicare	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	global assumptions
Blue Cross	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
MMO	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Commercial	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Kaiser	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Self-Pay	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Inpatient Pro Gross Charge Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Outpatient Pro Gross Charge Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Clinic Pro Gross Charge Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Projected IP Pro Reimbursement Growth %								
Medicare	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	global assumptions
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	global assumptions
Blue Cross	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
MMO	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Commercial	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Kaiser	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Self-Pay	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Projected OP Reimbursement Growth %								
Medicare	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	global assumptions
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	global assumptions
Blue Cross	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
MMO	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Commercial	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Kaiser	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Self-Pay	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Projected Clinic Reimbursement Growth %								
Medicare	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	global assumptions
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	global assumptions
Blue Cross	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
MMO	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Commercial	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Kaiser	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	global assumptions
Self-Pay	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Bad Debt Percentage of Gross Revenue	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	historical service line
Charity Care Percentage of Gross Revenue	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	historical service line
Benefits Inflation Assumption	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	global assumptions
Staff Salary Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Routine Salary Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Ancillary Salary Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Support Salary Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Other Salary Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Medical Supplies Cost Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Implants Cost Inflation	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	global assumptions
Non-Medical Supplies Cost Inflation	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	global assumptions
Drugs and Pharmaceuticals Cost Inflation	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	global assumptions
Purchased Medical Services Cost Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	global assumptions
Purchased Non-Medical Services Cost Inflation	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	global assumptions
Facilities Cost Inflation	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	global assumptions
Operating Leases Cost Inflation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	global assumptions
Maintenance Contract Cost Inflation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	global assumptions
Insurance Cost Inflation	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	global assumptions
Professional Fees Cost Inflation	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Research Services Cost Inflation	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Travel & Education Cost Inflation	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions
Other Expense Cost Inflation	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	global assumptions

Base Data  
 - what is in the base data  
 for example: YTD data, prior year end, certain CPT code data

Year 1  
 - What does this include (full year, half year, # of months)

Startup date - 1/1/10. Assumes capital spent in 2009.

## Inputs for Financial Analysis Workbook

Source can be global assumptions or can be plan specific developed by plan writer  
Input this on the Assumptions Summary tab

### Base Data

#### Tech-Stats Revenues Tab

- Tech incremental staffed beds each year
- Tech inpatient admissions by payor
- Tech patient days by payor
- Tech outpatient visits by payor
- Tech inpatient gross revenue by payor
- Tech outpatient gross revenue by payor
- Tech total Inpatient net revenue by payor
- Tech CMI
- Tech total Outpatient net revenue by payor
- Tech total bad debt
- Tech total charity care

#### Pro-Stats Revenues Tab

- Pro inpatient admissions by payor
- Pro outpatient visits by payor
- Clinic visits by payor
- Pro inpatient gross revenue by payor
- Pro outpatient gross revenue by payor
- Clinic gross revenue by payor
- Pro total Inpatient net revenue by payor
- Pro total Outpatient net revenue by payor
- Total clinic net revenue by payor
- Pro total bad debt
- Pro total charity care

#### Other Tab

- Care assurance
- Premium revenue
- Other net patient revenue
- Unrestricted Contributions 1 - please specify
- Unrestricted Contributions 2 - please specify
- Unrestricted Contributions 3 - please specify
- Other operating revenue 1 - please specify
- Other operating revenue 2 - please specify
- Other operating revenue 3 - please specify

#### Tech Personnel Tab

- Tech Fixed FTE's by Type
- Tech Variable FTE's by Type
- Tech Salary per FTE by type
- Tech Benefits per FTE by type

Pro Personnel Tab

- Pro Fixed FTE's by Type
- Pro Variable FTE's by Type
- Pro Salary per FTE by type
- Pro Benefits per FTE by type

Tech Expenses Tab (Expense amounts and % fixed or variable on all below)

- Medical Supplies
- Implants
- Non-Medical Supplies
- Pharmaceuticals
- Purchased Medical Services
- Purchased Non-Medical Services
- Facilities sq. ft.
- Facilities Expense
- Operating Leases
- Maintenance Contracts
- Insurance
- Professional Services
- Research Services
- Travel & Education
- Other
- INDIRECT EXPENSES

Pro Expenses Tab (Expense amounts and % fixed or variable on all below)

- Medical Supplies
- Implants
- Non-Medical Supplies
- Pharmaceuticals
- Purchased Medical Services
- Purchased Non-Medical Services
- Facilities sq. ft.
- Facilities Expense
- Operating Leases
- Maintenance Contracts
- Insurance
- Professional Services
- Research Services
- Travel & Education
- Other
- INDIRECT EXPENSES

Data other than Base needed

Depreciation Interest Tab

- Base Depreciation
- Base Interest Expense
- Capital Equipment Costs
- Capital Construction Costs
- Capital Information Technology Costs
- Capital Contingency Costs
- Capitalized Interest

Other Costs

Pro-Stats Revenues Tab

Projected Incremental Inpatient Admissions

Projected Incremental Outpatient Visits

**SUMMARY STATISTICS & RATIOS**

	2008	2009	2010	2011	2012	2013	2014	2015
<b>STATISTICS</b>								
Inpatient Admissions	-	-	-	-	-	-	-	-
IP Admissions % Change	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Patient Days	-	-	-	-	-	-	-	-
ALOS	-	-	-	-	-	-	-	-
Average Daily Census	-	-	-	-	-	-	-	-
Outpatient Visits	2,235	-	900	1,035	1,139	1,253	1,347	1,414
Outpatient Visit % Change	-	-	0.0%	15.0%	10.0%	10.0%	7.5%	5.0%
Adjusted Admissions	-	-	-	-	-	-	-	-
Adjusted Admissions % Change	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Equivalent Patient Days	2,235	-	900	1,035	1,139	1,253	1,347	1,414
Clinic Visits	-	-	-	-	-	-	-	-
Clinic Visit % Change	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Professional Gross Revenue (volume-adjusted only)	2,743,463	-	1,104,750	1,270,463	1,398,123	1,538,058	1,615,390	1,696,405
Staff FTEs	1.0	-	1.0	1.1	1.2	1.3	1.4	1.5
Non-Staff FTEs	2.0	-	2.0	2.2	2.4	2.6	2.8	2.9
Total FTEs	3.0	-	3.0	3.4	3.6	3.9	4.2	4.4
Number of Beds	-	-	-	-	-	-	-	-
Operating Income	3,519,023	-	686,628	683,785	826,120	986,047	1,116,391	1,229,477
Operating Margin %	89.0%	0.0%	41.6%	35.0%	37.3%	39.3%	40.3%	41.1%
<b>NET REVENUE</b>								
Total Gross Patient Revenue	10,006,095	-	4,335,223	5,171,448	5,903,457	6,736,783	7,467,155	8,134,183
Total Net Patient Revenue	4,044,408	-	1,728,515	2,047,943	2,321,996	2,631,854	2,901,294	3,139,051
Technical Net Patient Revenue Collection Rate	44.0%	0.0%	43.2%	42.9%	42.5%	42.1%	41.8%	41.4%
Technical Net Patient Revenue per Equivalent Patient Day (EPD)	1,429	-	1,519	1,567	1,615	1,666	1,718	1,772
Technical Net Patient Revenue per EPD % Change	-	-	0.0%	3.1%	3.1%	3.1%	3.1%	3.1%
Professional Net Patient Revenue Collection Rate	31.0%	0.0%	30.8%	30.7%	30.6%	30.5%	30.4%	30.4%
Professional Net Patient Revenue per Professional Gross Revenue (volume-adjusted on)	0.3	-	0.3	0.3	0.3	0.4	0.4	0.4
Professional Net Patient Revenue per Professional Gross Revenue % Change	-	-	0.0%	2.7%	2.7%	2.7%	2.7%	2.7%
Total Bad Debt	77,176	-	56,358	67,229	76,745	87,578	97,073	105,744
Total Bad Debt as % of Total Gross Revenue	0.8%	0.0%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Total Charity Care	89,049	-	78,034	93,086	106,262	121,262	134,409	146,415
Total Charity Care as % of Total Gross Revenue	0.9%	0.0%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
<b>IP Payor Mix (on Gross Revenue)</b>								
Medicare	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Blue Cross	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MMO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Commercial	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Kaiser	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Self-Pay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>OP Payor Mix (on Gross Revenue)</b>								
Medicare	34.0%	0.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
Medicaid	2.3%	0.0%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
Blue Cross	22.5%	0.0%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%
MMO	12.7%	0.0%	12.7%	12.7%	12.7%	12.7%	12.7%	12.7%
Commercial	26.6%	0.0%	26.6%	26.6%	26.6%	26.6%	26.6%	26.6%
Kaiser	0.6%	0.0%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
Self-Pay	1.3%	0.0%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Clinic Payor Mix (on Gross Revenue)</b>								
Medicare	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Blue Cross	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MMO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Commercial	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Kaiser	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Self-Pay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>TOTAL Payor Mix (on Gross Revenue)</b>								
Medicare	34.0%	0.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
Medicaid	2.3%	0.0%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
Blue Cross	22.5%	0.0%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%
MMO	12.7%	0.0%	12.7%	12.7%	12.7%	12.7%	12.7%	12.7%
Commercial	26.6%	0.0%	26.6%	26.6%	26.6%	26.6%	26.6%	26.6%
Kaiser	0.6%	0.0%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
Self-Pay	1.3%	0.0%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**SUMMARY STATISTICS & RATIOS**

	2008	2009	2010	2011	2012	2013	2014	2015
<b>PERSONNEL EXPENSES (SALARIES &amp; BENEFITS)</b>								
Total Personnel as % of Total Net Revenue	9.1%	0.0%	23.1%	22.5%	22.1%	21.8%	21.7%	21.5%
Technical Personnel per Equivalent Patient Day (EPD)	59	-	155	156	158	160	163	167
Technical Personnel per EPD % Change			0.0%	0.3%	1.3%	1.5%	1.9%	2.3%
Technical Personnel per Technical FTE	65,805	-	69,813	71,907	74,064	76,286	78,575	80,932
Technical Personnel per Technical FTE % Change			0.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Professional Personnel per Professional Gross Revenue (volume-adjusted only)	0	-	0	0	0	0	0	0
Professional Personnel per Professional Gross Revenue % Change			0.0%	0.3%	1.3%	1.5%	4.3%	2.3%
Professional Personnel per Professional FTE	227,550	-	241,408	248,650	256,110	263,793	271,707	279,858
Professional Personnel per Professional FTE % Change			0.0%	3.0%	3.0%	3.0%	3.0%	3.0%
<b>MEDICAL SUPPLIES, IMPLANTS, AND PHARMACEUTICALS EXPENSES</b>								
Total Medical Supplies as % of Total Net Revenue	0.0%	0.0%	13.0%	13.0%	13.0%	13.0%	13.1%	13.1%
Technical Medical Supplies per Equivalent Patient Day (EPD)	-	-	239	246	253	261	269	277
Technical Medical Supplies per EPD % Change			0.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Professional Medical Supplies per Professional Gross Revenue (volume-adjusted only)	-	-	-	-	-	-	-	-
Professional Medical Supplies per Professional Gross Revenue % Change			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Implants as % of Total Net Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Technical Implants per Equivalent Patient Day (EPD)	-	-	-	-	-	-	-	-
Technical Implants per EPD % Change			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Professional Implants per Professional Gross Revenue (volume-adjusted only)	-	-	-	-	-	-	-	-
Professional Implants per Professional Gross Revenue % Change			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Pharmaceuticals as % of Total Net Revenue	0.0%	0.0%	0.9%	1.0%	1.0%	1.0%	1.1%	1.1%
Technical Pharmaceuticals per Equivalent Patient Day (EPD)	-	-	17	18	20	21	22	24
Technical Pharmaceuticals per EPD % Change			0.0%	6.8%	6.8%	6.8%	6.8%	6.8%
Professional Pharmaceuticals per Professional Gross Revenue (volume-adjusted only)	-	-	-	-	-	-	-	-
Professional Pharmaceuticals per Professional Gross Revenue % Change			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Medical Supplies, Implants, and Pharmaceuticals as % Total of Net Revenue	0.0%	0.0%	13.9%	14.0%	14.0%	14.1%	14.2%	14.2%
Technical Total per Equivalent Patient Day (EPD)	-	-	256	264	273	282	291	300
Technical Total per EPD % Change			0.0%	3.3%	3.3%	3.3%	3.3%	3.3%
Professional Total per Professional Gross Revenue (volume-adjusted only)	-	-	-	-	-	-	-	-
Professional Total per Professional Gross Revenue % Change			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>ALL OTHER EXPENSES (including Bad Debt)</b>								
Total All Other as % of Net Revenue	2.0%	0.0%	10.8%	10.7%	10.8%	11.0%	11.2%	11.6%
Technical All Other per Equivalent Patient Day (EPD)	-	-	108	106	107	108	111	114
Technical All Other per EPD % Change			0.0%	-1.7%	0.8%	1.1%	2.3%	3.5%
Professional All Other per Professional Gross Revenue (volume-adjusted only)	-	-	0	0	0	0	0	0
Professional All Other per Professional Gross Revenue % Change			0.0%	13.7%	16.4%	15.6%	16.4%	15.2%

**TECH-STATISTICS**

**PROJECTED**

	Base	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Fiscal Year 5	Fiscal Year 6	Fiscal Year 7
Input Years	2008	2009	2010	2011	2012	2013	2014	2015
Staffed Beds								

*\*\*Please DO NOT adjust the Fiscal Years entered in red; necessary for import into Strata\*\**

**INPATIENT**

Inpatient Admissions by Payor	2008	2009	2010	2011	2012	2013	2014	2015
Medicare		-	-	-	-	-	-	-
Medicaid		-	-	-	-	-	-	-
Blue Cross		-	-	-	-	-	-	-
MMO		-	-	-	-	-	-	-
Commercial		-	-	-	-	-	-	-
Kaiser		-	-	-	-	-	-	-
Self-Pay		-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-

Projected Incremental IP Admissions	2009	2010	2011	2012	2013	2014	2015
Projected Incremental IP Admissions % Change		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

IP Admissions Payor Mix	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	0.0%							
Medicaid	0.0%							
Blue Cross	0.0%							
MMO	0.0%							
Commercial	0.0%							
Kaiser	0.0%							
Self-Pay	0.0%							
Other	0.0%							
<b>Total</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Patient Days by Payor	2008	2009	2010	2011	2012	2013	2014	2015
Medicare		-	-	-	-	-	-	-
Medicaid		-	-	-	-	-	-	-
Blue Cross		-	-	-	-	-	-	-
MMO		-	-	-	-	-	-	-
Commercial		-	-	-	-	-	-	-
Kaiser		-	-	-	-	-	-	-
Self-Pay		-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-

ALOS by Payor	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	-							
Medicaid	-							
Blue Cross	-							
MMO	-							
Commercial	-							
Kaiser	-							
Self-Pay	-							
Other	-							
<b>Total</b>	-	-	-	-	-	-	-	-

**OUTPATIENT**

Outpatient Visits by Payor	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	760	-	306	352	387	426	458	481
Medicaid	51	-	21	24	26	29	31	33
Blue Cross	503	-	203	233	256	282	303	318
MMO	284	-	114	131	145	159	171	180
Commercial	595	-	239	275	303	333	358	376
Kaiser	13	-	5	6	7	8	8	8
Self-Pay	29	-	12	13	15	16	18	18
Other	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,235</b>	<b>-</b>	<b>900</b>	<b>1,035</b>	<b>1,139</b>	<b>1,253</b>	<b>1,347</b>	<b>1,414</b>

Projected Incremental OP Visits	2009	2010	2011	2012	2013	2014	2015
Projected Incremental OP Visits	-	900	1,035	1,139	1,253	1,347	1,414
Projected Incremental OP Visits % Change		0.0%	15.0%	10.0%	10.0%	7.5%	5.0%

OP Visits Payor Mix	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
Medicaid	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
Blue Cross	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%
MMO	12.7%	12.7%	12.7%	12.7%	12.7%	12.7%	12.7%	12.7%
Commercial	26.6%	26.6%	26.6%	26.6%	26.6%	26.6%	26.6%	26.6%
Kaiser	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
Self-Pay	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**TECH-GROSS REVENUE**

**INPATIENT**

IP Gross Revenue by Payor	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-
Blue Cross	-	-	-	-	-	-	-	-
MMO	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-
Kaiser	-	-	-	-	-	-	-	-
Self-Pay	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

IP Gross Revenue % Change	2009	2010	2011	2012	2013	2014	2015
IP Gross Revenue % Change	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

IP Gross Revenue per Patient Day	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-
Blue Cross	-	-	-	-	-	-	-	-
MMO	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-
Kaiser	-	-	-	-	-	-	-	-
Self-Pay	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-

**OUTPATIENT**

	2008	2009	2010	2011	2012	2013	2014	2015
OP Gross Revenue by Payor								
Medicare	2,469,295	-	1,075,486	1,286,281	1,472,152	1,684,276	1,883,020	2,056,258
Medicaid	167,041	-	72,753	87,013	99,587	113,936	127,381	139,100
Blue Cross	1,634,092	-	711,718	851,215	974,218	1,114,594	1,246,116	1,360,759
MMO	922,354	-	401,726	480,464	549,892	629,127	703,364	768,073
Commercial	1,931,860	-	841,409	1,006,326	1,151,742	1,317,698	1,473,187	1,608,720
Kaiser	43,576	-	18,979	22,699	25,979	29,723	33,230	36,287
Self-Pay	94,414	-	41,122	49,181	56,288	64,399	71,998	78,622
Other	-	-	-	-	-	-	-	-
Total	7,262,633	-	3,163,193	3,783,179	4,329,858	4,953,753	5,538,295	6,047,819

OP Gross Revenue % Change	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
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	2008	2009	2010	2011	2012	2013	2014	2015
OP Gross Revenue per OP Visit								
Medicare	3,250	3,379	3,515	3,655	3,801	3,954	4,112	4,276
Medicaid	3,250	3,379	3,515	3,655	3,801	3,954	4,112	4,276
Blue Cross	3,250	3,379	3,515	3,655	3,801	3,954	4,112	4,276
MMO	3,250	3,379	3,515	3,655	3,801	3,954	4,112	4,276
Commercial	3,250	3,379	3,515	3,655	3,801	3,954	4,112	4,276
Kaiser	3,250	3,379	3,515	3,655	3,801	3,954	4,112	4,276
Self-Pay	3,250	3,379	3,515	3,655	3,801	3,954	4,112	4,276
Other	-	-	-	-	-	-	-	-

**TECH-NET REVENUE**

**INPATIENT**

	2008	2009	2010	2011	2012	2013	2014	2015
Total IP Net Revenue by Payor								
Medicare		-	-	-	-	-	-	-
Medicaid		-	-	-	-	-	-	-
Blue Cross		-	-	-	-	-	-	-
MMO		-	-	-	-	-	-	-
Commercial		-	-	-	-	-	-	-
Kaiser		-	-	-	-	-	-	-
Self-Pay		-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

CMI	2008	2009	2010	2011	2012	2013	2014	2015
Medicare								
Medicaid								
Blue Cross								
MMO								
Commercial								
Kaiser								
Self-Pay (n/a)								
Other (n/a)								

	2008	2009	2010	2011	2012	2013	2014	2015
IP Net Revenue per stat, CMI adj								
Medicare (per case)	-	-	-	-	-	-	-	-
Medicaid (per case)	-	-	-	-	-	-	-	-
Blue Cross (per case)	-	-	-	-	-	-	-	-
MMO (per case)	-	-	-	-	-	-	-	-
Commercial (per day)	-	-	-	-	-	-	-	-
Kaiser (per case)	-	-	-	-	-	-	-	-
Self-Pay (% charges)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other (% charges)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	2009	2010	2011	2012	2013	2014	2015
Projected IP Reimbursement Growth %							
Medicare	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Blue Cross	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
MMO	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Commercial	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Kaiser	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Self-Pay	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

### OUTPATIENT

	2008	2009	2010	2011	2012	2013	2014	2015
Total OP Net Revenue by Payor								
Medicare	402,989	-	172,160	203,924	231,147	261,910	290,000	313,635
Medicaid	36,348	-	14,637	16,832	18,524	20,378	21,906	23,001
Blue Cross	912,967	-	391,543	464,683	527,740	599,139	664,684	720,252
MMO	661,513	-	283,702	336,698	382,387	434,120	481,613	521,876
Commercial	1,107,149	-	474,822	563,518	639,987	726,571	806,058	873,444
Kaiser	16,206	-	6,950	8,248	9,368	10,635	11,799	12,785
Self-Pay	55,959	-	23,444	27,500	30,869	34,638	37,980	40,677
Other	-	-	-	-	-	-	-	-
Total	3,193,131	-	1,367,258	1,621,404	1,840,021	2,087,391	2,314,040	2,505,671

	2008	2009	2010	2011	2012	2013	2014	2015
OP Net Revenue per Visit								
Medicare	530	546	563	579	597	615	633	652
Medicaid	707	707	707	707	707	707	707	707
Blue Cross	1,815	1,874	1,934	1,995	2,059	2,125	2,193	2,263
MMO	2,331	2,405	2,482	2,562	2,643	2,728	2,815	2,905
Commercial	1,862	1,922	1,983	2,047	2,112	2,180	2,250	2,322
Kaiser	1,208	1,247	1,287	1,328	1,371	1,415	1,460	1,507
Self-Pay	1,926	1,964	2,004	2,044	2,085	2,126	2,169	2,212
Other	-	-	-	-	-	-	-	-
Total	1,429	-	1,519	1,567	1,615	1,666	1,718	1,772

	2009	2010	2011	2012	2013	2014	2015
Projected OP Reimbursement Growth %							
Medicare	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Blue Cross	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
MMO	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Commercial	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Kaiser	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Self-Pay	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**TECH-PROVISION FOR UNCOLLECTIBLE ACCOUNTS (BAD DEBT)**

	2008	2009	2010	2011	2012	2013	2014	2015
Total Bad Debt	41,511	-	41,122	49,181	56,288	64,399	71,998	78,622
Total Bad Debt as % of Total Gross Revenue	0.6%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%

**TECH-CHARITY CARE**

	2008	2009	2010	2011	2012	2013	2014	2015
Total Charity Care	47,897	-	56,937	68,097	77,937	89,168	99,689	108,861
Total Charity Care as % of Total Gross Revenue	0.7%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%

**CALCULATION:**

**NET REVENUE AS % OF GROSS REVENUE**

**INPATIENT**

	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Blue Cross	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MMO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Commercial	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Kaiser	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Self-Pay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**OUTPATIENT**

	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	16.3%	0.0%	16.0%	15.9%	15.7%	15.6%	15.4%	15.3%
Medicaid	21.8%	0.0%	20.1%	19.3%	18.6%	17.9%	17.2%	16.5%
Blue Cross	55.9%	0.0%	55.0%	54.6%	54.2%	53.8%	53.3%	52.9%
MMO	71.7%	0.0%	70.6%	70.1%	69.5%	69.0%	68.5%	67.9%
Commercial	57.3%	0.0%	56.4%	56.0%	55.6%	55.1%	54.7%	54.3%
Kaiser	37.2%	0.0%	36.6%	36.3%	36.1%	35.8%	35.5%	35.2%
Self-Pay	59.3%	0.0%	57.0%	55.9%	54.8%	53.8%	52.8%	51.7%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	44.0%	0.0%	43.2%	42.9%	42.5%	42.1%	41.8%	41.4%

**PRO-STATISTICS**

Input Years	<b>Base</b>	2008
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<b>PROJECTED</b>						
Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
1	2	3	4	5	6	7
2009	2010	2011	2012	2013	2014	2015

**INPATIENT**

Inpatient Admissions by Payor	2008
Medicare	
Medicaid	
Blue Cross	
MMO	
Commercial	
Kaiser	
Self-Pay	
Other	
Total	-

2009	2010	2011	2012	2013	2014	2015
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Projected Incremental IP Admissions	
Projected Incremental IP Admissions % Change	

2009	2010	2011	2012	2013	2014	2015
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

IP Admissions Payor Mix	2008
Medicare	0.0%
Medicaid	0.0%
Blue Cross	0.0%
MMO	0.0%
Commercial	0.0%
Kaiser	0.0%
Self-Pay	0.0%
Other	0.0%
Total	0.0%

2009	2010	2011	2012	2013	2014	2015
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**OUTPATIENT**

Outpatient Visits by Payor	2008
Medicare	760
Medicaid	51
Blue Cross	503
MMO	284
Commercial	595
Kaiser	13
Self-Pay	29
Other	-
Total	2,235

2009	2010	2011	2012	2013	2014	2015
-	306	352	387	426	447	470
-	21	24	26	29	30	32
-	203	233	256	282	296	311
-	114	131	145	159	167	176
-	239	275	303	333	350	368
-	5	6	7	8	8	8
-	12	13	15	16	17	18
-	-	-	-	-	-	-
-	900	1,035	1,139	1,253	1,316	1,382

Projected Incremental OP Visits	
Projected Incremental OP Visits % Change	

2009	2010	2011	2012	2013	2014	2015
	900	1,035	1,139	1,253	1,316	1,382
	0.0%	15.0%	10.0%	10.0%	5.0%	5.0%

OP Visits Payor Mix	2008
Medicare	34.0%
Medicaid	2.3%
Blue Cross	22.5%
MMO	12.7%
Commercial	26.6%
Kaiser	0.6%
Self-Pay	1.3%
Other	0.0%
Total	100.0%

2009	2010	2011	2012	2013	2014	2015
34.0%	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%
12.7%	12.7%	12.7%	12.7%	12.7%	12.7%	12.7%
26.6%	26.6%	26.6%	26.6%	26.6%	26.6%	26.6%
0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**CLINIC**

	2008	2009	2010	2011	2012	2013	2014	2015
Clinic Visits by Payor								
Medicare		-	-	-	-	-	-	-
Medicaid		-	-	-	-	-	-	-
Blue Cross		-	-	-	-	-	-	-
MMO		-	-	-	-	-	-	-
Commercial		-	-	-	-	-	-	-
Kaiser		-	-	-	-	-	-	-
Self-Pay		-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

	2009	2010	2011	2012	2013	2014	2015
Projected Incremental Clinic Visits							
Projected Incremental Clinic Visits % Change		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	2008	2009	2010	2011	2012	2013	2014	2015
Clinic Visits Payor Mix								
Medicare	0.0%							
Medicaid	0.0%							
Blue Cross	0.0%							
MMO	0.0%							
Commercial	0.0%							
Kaiser	0.0%							
Self-Pay	0.0%							
Other	0.0%							
Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**PRO-GROSS REVENUE**

**INPATIENT**

	2008	2009	2010	2011	2012	2013	2014	2015
IP Gross Revenue by Payor								
Medicare		-	-	-	-	-	-	-
Medicaid		-	-	-	-	-	-	-
Blue Cross		-	-	-	-	-	-	-
MMO		-	-	-	-	-	-	-
Commercial		-	-	-	-	-	-	-
Kaiser		-	-	-	-	-	-	-
Self-Pay		-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

	2009	2010	2011	2012	2013	2014	2015
IP Gross Revenue % Change	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

	2008	2009	2010	2011	2012	2013	2014	2015
IP Gross Revenue per IP Admission								
Medicare	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-
Blue Cross	-	-	-	-	-	-	-	-
MMO	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-
Kaiser	-	-	-	-	-	-	-	-
Self-Pay	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-

**OUTPATIENT**

	2008	2009	2010	2011	2012	2013	2014	2015
OP Gross Revenue by Payor								
Medicare	932,777	-	398,490	472,011	535,024	606,230	655,812	709,364
Medicaid	63,100	-	26,957	31,930	36,193	41,010	44,364	47,986
Blue Cross	617,279	-	263,707	312,360	354,060	401,182	433,994	469,432
MMO	348,420	-	148,848	176,310	199,847	226,445	244,965	264,968
Commercial	729,761	-	311,760	369,279	418,577	474,286	513,077	554,973
Kaiser	16,461	-	7,032	8,330	9,442	10,698	11,573	12,518
Self-Pay	35,665	-	15,236	18,047	20,457	23,179	25,075	27,123
Other	-	-	-	-	-	-	-	-
Total	2,743,463	-	1,172,029	1,388,269	1,573,599	1,783,030	1,928,860	2,086,364

OP Gross Revenue % Change		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
OP Gross Revenue per OP Visit	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	1,228	1,264	1,302	1,341	1,382	1,423	1,466	1,510
Medicaid	1,228	1,264	1,302	1,341	1,382	1,423	1,466	1,510
Blue Cross	1,228	1,264	1,302	1,341	1,382	1,423	1,466	1,510
MMO	1,228	1,264	1,302	1,341	1,382	1,423	1,466	1,510
Commercial	1,228	1,264	1,302	1,341	1,382	1,423	1,466	1,510
Kaiser	1,228	1,264	1,302	1,341	1,382	1,423	1,466	1,510
Self-Pay	1,228	1,264	1,302	1,341	1,382	1,423	1,466	1,510
Other	-	-	-	-	-	-	-	-

**CLINIC**

Clinic Gross Revenue by Payor	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-
Blue Cross	-	-	-	-	-	-	-	-
MMO	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-
Kaiser	-	-	-	-	-	-	-	-
Self-Pay	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Clinic Gross Revenue % Change	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
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Clinic Gross Revenue per Clinic Visit	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-
Blue Cross	-	-	-	-	-	-	-	-
MMO	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-
Kaiser	-	-	-	-	-	-	-	-
Self-Pay	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-

**PRO-NET REVENUE**

**INPATIENT**

Total IP Net Revenue by Payor	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-
Blue Cross	-	-	-	-	-	-	-	-
MMO	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-
Kaiser	-	-	-	-	-	-	-	-
Self-Pay	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

IP Net Revenue per IP Admission	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-
Blue Cross	-	-	-	-	-	-	-	-
MMO	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-
Kaiser	-	-	-	-	-	-	-	-
Self-Pay	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Projected IP Reimbursement Growth %

	2009	2010	2011	2012	2013	2014	2015
Medicare	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Blue Cross	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
MMO	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Commercial	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Kaiser	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Self-Pay	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**OUTPATIENT**

Total OP Net Revenue by Payor

	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	189,540	-	77,859	90,433	100,516	111,682	118,470	125,656
Medicaid	6,581	-	2,650	3,048	3,354	3,690	3,875	4,070
Blue Cross	204,505	-	87,706	104,089	118,214	134,207	145,465	157,649
MMO	95,990	-	41,167	48,857	55,487	62,994	68,278	73,997
Commercial	329,414	-	141,275	167,666	190,418	216,179	234,314	253,940
Kaiser	2,278	-	977	1,160	1,317	1,495	1,620	1,756
Self-Pay	22,968	-	9,623	11,287	12,670	14,217	15,230	16,314
Other	-	-	-	-	-	-	-	-
Total	851,276	-	361,257	426,540	481,975	544,463	587,254	633,381

OP Net Revenue per OP Visit

	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	249	252	254	257	260	262	265	267
Medicaid	128	128	128	128	128	128	128	128
Blue Cross	407	420	433	447	461	476	491	507
MMO	338	349	360	372	384	396	409	422
Commercial	554	572	590	609	628	649	669	691
Kaiser	170	175	181	187	193	199	205	212
Self-Pay	791	806	822	839	856	873	890	908
Other	-	-	-	-	-	-	-	-
Total	381	-	401	412	423	435	446	458

Projected OP Reimbursement Growth %

	2009	2010	2011	2012	2013	2014	2015
Medicare	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Blue Cross	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
MMO	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Commercial	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Kaiser	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Self-Pay	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**CLINIC**

Total Clinic Net Revenue by Payor

	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-
Blue Cross	-	-	-	-	-	-	-	-
MMO	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-
Kaiser	-	-	-	-	-	-	-	-
Self-Pay	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Clinic Net Revenue per Clinic Visit

	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	-	-	-	-	-	-	-	-
Medicaid	-	-	-	-	-	-	-	-
Blue Cross	-	-	-	-	-	-	-	-
MMO	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-
Kaiser	-	-	-	-	-	-	-	-
Self-Pay	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Projected Clinic Reimbursement Growth %

	2009	2010	2011	2012	2013	2014	2015
Medicare	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Blue Cross	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
MMO	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Commercial	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Kaiser	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Self-Pay	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

**PRO-PROVISION FOR UNCOLLECTIBLE ACCOUNTS (BAD DEBT)**

	2008	2009	2010	2011	2012	2013	2014	2015
Total Bad Debt	35,665	-	15,236	18,047	20,457	23,179	25,075	27,123
Total Bad Debt as % of Total Gross Revenue	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%

**PRO-CHARITY CARE**

	2008	2009	2010	2011	2012	2013	2014	2015
Total Charity Care	41,152	-	21,097	24,989	28,325	32,095	34,719	37,555
Total Charity Care as % of Total Gross Revenue	1.5%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%

**CALCULATION:**

**NET REVENUE AS % OF GROSS REVENUE**

**INPATIENT**

	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Blue Cross	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MMO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Commercial	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Kaiser	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Self-Pay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**OUTPATIENT**

	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	20.3%	0.0%	19.5%	19.2%	18.8%	18.4%	18.1%	17.7%
Medicaid	10.4%	0.0%	9.8%	9.5%	9.3%	9.0%	8.7%	8.5%
Blue Cross	33.1%	0.0%	33.3%	33.3%	33.4%	33.5%	33.5%	33.6%
MMO	27.6%	0.0%	27.7%	27.7%	27.8%	27.8%	27.9%	27.9%
Commercial	45.1%	0.0%	45.3%	45.4%	45.5%	45.6%	45.7%	45.8%
Kaiser	13.8%	0.0%	13.9%	13.9%	13.9%	14.0%	14.0%	14.0%
Self-Pay	64.4%	0.0%	63.2%	62.5%	61.9%	61.3%	60.7%	60.1%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	31.0%	0.0%	30.8%	30.7%	30.6%	30.5%	30.4%	30.4%

**CLINIC**

	2008	2009	2010	2011	2012	2013	2014	2015
Medicare	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Medicaid	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Blue Cross	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MMO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Commercial	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Kaiser	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Self-Pay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Total Professional Gross Revenue

\*\*Volume-adjusted only\*\*

	2008	2009	2010	2011	2012	2013	2014	2015
Inpatient	-	-	-	-	-	-	-	-
Outpatient	2,743,463	-	1,104,750	1,270,463	1,398,123	1,538,058	1,615,390	1,696,405
Clinic	-	-	-	-	-	-	-	-
Total	2,743,463	-	1,104,750	1,270,463	1,398,123	1,538,058	1,615,390	1,696,405

\*\*Rate-adjusted only\*\*

Inpatient	-	-	-	-	-	-	-	-
Outpatient	2,743,463	-	-	117,806	175,477	244,973	313,470	389,959
Clinic	-	-	-	-	-	-	-	-
Total	2,743,463	-	-	117,806	175,477	244,973	313,470	389,959

GRAND TOTAL

Inpatient	-	-	-	-	-	-	-	-
Outpatient	2,743,463	-	1,104,750	1,388,269	1,573,599	1,783,030	1,928,860	2,086,364
Clinic	-	-	-	-	-	-	-	-
Total	2,743,463	-	1,104,750	1,388,269	1,573,599	1,783,030	1,928,860	2,086,364

## OTHER REVENUE

Other Net Patient Revenue	2008	2009	2010	2011	2012	2013	2014	2015
Care Assurance								
Premium Revenue								
Other								
<b>Total Other Net Patient Revenue</b>	-	-	-	-	-	-	-	-

Other Operating Revenue	2008	2009	2010	2011	2012	2013	2014	2015
Unrestricted Contributions 1								
Unrestricted Contributions 2								
Unrestricted Contributions 3								
<b>Total Unrestricted Contributions</b>	-	-	-	-	-	-	-	-
Unrestricted Contributions % Change		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other 1								
Other 2								
Other 3								
<b>Total Other</b>	-	-	-	-	-	-	-	-
Other % Change		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total Other Operating Revenue</b>	-	-	-	-	-	-	-	-



Total Variable FTEs		2008	2009	2010	2011	2012	2013	2014	2015
Staff		-	-	-	-	-	-	-	-
Exempt		0.8	-	0.8	0.9	1.0	1.1	1.2	1.3
Hourly		0.8	-	0.8	0.9	1.0	1.1	1.2	1.3
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
Total		1.6	-	1.6	1.8	2.0	2.2	2.4	2.5
Total Variable FTEs % Change				0.0%	15.0%	10.0%	10.0%	7.5%	5.0%

Total Fixed FTEs		2008	2009	2010	2011	2012	2013	2014	2015
Staff		-	-	-	-	-	-	-	-
Exempt		0.2	-	0.2	0.2	0.2	0.2	0.2	0.2
Hourly		0.2	-	0.2	0.2	0.2	0.2	0.2	0.2
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
Total		0.4	-	0.4	0.4	0.4	0.4	0.4	0.4
Total Fixed FTEs % Change				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

### TECH-BENEFITS

Benefits Inflation Assumption		2008	2009	2010	2011	2012	2013	2014	2015
Benefits as % of Salaries									
Staff			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Exempt		23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%
Hourly		23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%
0			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Benefits									
Staff		-	-	-	-	-	-	-	-
Exempt		19,320	-	20,497	23,645	26,364	29,425	32,235	34,624
Hourly		5,290	-	5,612	6,474	7,219	8,057	8,826	9,480
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
Total		24,610	-	26,109	30,119	33,583	37,482	41,061	44,105
Benefits as % of Total Salaries		23.0%	0.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%

**PRO-SALARIES & FTEs**

Note: Select various types of FTEs using the drop-down lists for cells B9 through B13; use as many FTE types as necessary

		2008
Total Variable Salaries		185,000
FTE Type	% Allocation:	
Staff	80.0%	148,000
		-
		-
		-
		-
		-
Total		148,000

2009	2010	2011	2012	2013	2014	2015
-	157,013	185,982	210,810	238,867	264,486	286,041
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	157,013	185,982	210,810	238,867	264,486	286,041

		2008
Total Fixed Salaries		185,000
FTE Type	% Allocation:	
Staff	20.0%	37,000
		-
		-
		-
		-
		-
Total		37,000

2009	2010	2011	2012	2013	2014	2015
-	39,253	40,431	41,644	42,893	44,180	45,505
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	39,253	40,431	41,644	42,893	44,180	45,505

		2008
Salary per FTE		185,000
Staff		185,000
		-
		-
		-
		-
		-

2009	2010	2011	2012	2013	2014	2015
190,550	196,267	202,154	208,219	214,466	220,900	227,527
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Salary Inflation Assumption	
Staff	
Routine	
Ancillary	
Support	
Other	

2009	2010	2011	2012	2013	2014	2015
3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Additional Variable FTEs (incremental year on year)	
Staff	
0	
0	
0	
0	
0	
Total	

2009	2010	2011	2012	2013	2014	2015
-	-	-	-	-	-	-

Additional Fixed FTEs (incremental year on year)	
Staff	
0	
0	
0	
0	
0	
Total	

2009	2010	2011	2012	2013	2014	2015
-	-	-	-	-	-	-

Total Variable FTEs		2008	2009	2010	2011	2012	2013	2014	2015
Staff		0.8	-	0.8	0.9	1.0	1.1	1.2	1.3
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
Total		0.8	-	0.8	0.9	1.0	1.1	1.2	1.3
Total Variable FTEs % Change				0.0%	15.0%	10.0%	10.0%	7.5%	5.0%

Total Fixed FTEs		2008	2009	2010	2011	2012	2013	2014	2015
Staff		0.2	-	0.2	0.2	0.2	0.2	0.2	0.2
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
Total		0.2	-	0.2	0.2	0.2	0.2	0.2	0.2
Total Fixed FTEs % Change				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

### PRO-BENEFITS

Benefits Inflation Assumption		2008	2009	2010	2011	2012	2013	2014	2015
Benefits as % of Salaries									
Staff		23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%
0			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Benefits									
Staff		42,550	-	45,141	52,075	58,064	64,805	70,993	76,256
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-
Total		42,550	-	45,141	52,075	58,064	64,805	70,993	76,256
Benefits as % of Total Salaries		23.0%	0.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%

## TECH-EXPENSES

Expense Driver is Equivalent Patient Days

Input Columns C & D from Rows 7-126 for Base; See Rows 133-206 to add incremental direct expense over Base.

For INDIRECT EXPENSES, see Rows 128-129; add incremental indirect expenses as needed.

Medical Supplies		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	% Allocation:								
Variable Expense	100.00%	-	-	214,832	254,469	288,440	326,828	361,881	391,374
Fixed Expense	0.00%	-	-	-	-	-	-	-	-
Total			-	214,832	254,469	288,440	326,828	361,881	391,374
Implants		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
	% Allocation:								
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-
Non-Medical Supplies		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%
	% Allocation:								
Variable Expense	100.00%	-	-	19,431	23,218	26,547	30,343	33,891	36,973
Fixed Expense	0.00%	-	-	-	-	-	-	-	-
Total			-	19,431	23,218	26,547	30,343	33,891	36,973
Pharmaceuticals		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%
	% Allocation:								
Variable Expense	100.00%	-	-	15,398	18,912	22,228	26,116	29,983	33,623
Fixed Expense	0.00%	-	-	-	-	-	-	-	-
Total			-	15,398	18,912	22,228	26,116	29,983	33,623
Purchased Medical Services		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	% Allocation:								
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-
Purchased Non-Medical Services		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%
	% Allocation:								
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-

**TECH-EXPENSES**

		2008	2009	2010	2011	2012	2013	2014	2015
Facilities (expense driver is sq. ft.)									
Square Footage		-							
Inflation Assumption			6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
	% Allocation:								
Variable Expense		-	-	25,400	31,036	36,289	42,417	48,448	54,049
Fixed Expense	100.00%	-	-	52,200	55,463	58,929	62,612	66,525	70,683
Total			-	77,600	86,499	95,218	105,029	114,973	124,733
Operating Leases		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	% Allocation:								
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-
Maintenance Contracts		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	% Allocation:								
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-
Insurance		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%
	% Allocation:								
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-
Professional Services		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	% Allocation:								
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-
Research Services		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	% Allocation:								
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-
Travel & Education		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	% Allocation:								
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-

## TECH-EXPENSES

		2008	2009	2010	2011	2012	2013	2014	2015
Other	Inflation Assumption		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	% Allocation:								
	Variable Expense	-	-	-	-	-	-	-	-
	Fixed Expense	100.00%	-	-	-	-	-	-	-
	Total		-	-	-	-	-	-	-
INDIRECT EXPENSES	Total								

### INCREMENTAL YEAR-ON-YEAR ADDITIONAL EXPENSES - BEYOND INFLATION OF BASE EXPENSES

Medical Supplies	Variable Expense		-	214,832	254,469	288,440	326,828	361,881	391,374
	Fixed Expense								
	Total		-	214,832	254,469	288,440	326,828	361,881	391,374
Implants	Variable Expense								
	Fixed Expense								
	Total		-	-	-	-	-	-	-
Non-Medical Supplies	Variable Expense		-	19,431	23,218	26,547	30,343	33,891	36,973
	Fixed Expense								
	Total		-	19,431	23,218	26,547	30,343	33,891	36,973
Pharmaceuticals	Variable Expense		-	15,398	18,912	22,228	26,116	29,983	33,623
	Fixed Expense								
	Total		-	15,398	18,912	22,228	26,116	29,983	33,623
Purchased Medical Services	Variable Expense								
	Fixed Expense								
	Total		-	-	-	-	-	-	-
Purchased Non-Medical Services	Variable Expense								
	Fixed Expense								
	Total		-	-	-	-	-	-	-
Facilities	Variable Expense		-	25,400	31,036	36,289	42,417	48,448	54,049
	Fixed Expense			52,200					
	Total		-	77,600	31,036	36,289	42,417	48,448	54,049
Operating Leases	Variable Expense								
	Fixed Expense								
	Total		-	-	-	-	-	-	-
Maintenance Contracts	Variable Expense								
	Fixed Expense								
	Total		-	-	-	-	-	-	-

**TECH-EXPENSES**

		2009	2010	2011	2012	2013	2014	2015
Insurance	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Professional Services	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Research Services	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Travel & Education	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Other	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-

## PRO-EXPENSES

Expense Driver is Professional Gross Revenues (volume-adjusted only)

Input Columns C & D from Rows 7-126 for Base; See Rows 133-206 to add incremental direct expenses beyond inflation of base year expenses.

For INDIRECT EXPENSES, see Rows 128-129; add incremental indirect expenses as needed.

Medical Supplies	2008		2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-
Implants	2008		2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-
Non-Medical Supplies	2008		2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%
% Allocation:									
Variable Expense		-	-	4,858	11,609	19,910	30,343	41,389	54,192
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	4,858	11,609	19,910	30,343	41,389	54,192
Pharmaceuticals	2008		2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			6.80%	6.80%	6.80%	6.80%	6.80%	6.80%	6.80%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-
Purchased Medical Services	2008		2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-
Purchased Non-Medical Services	2008		2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	10,000	10,310	10,630	10,959	11,299	11,649
Total			-	10,000	10,310	10,630	10,959	11,299	11,649

**PRO-EXPENSES**

		2008	2009	2010	2011	2012	2013	2014	2015
Facilities (expense driver is sq. ft.)									
Square Footage									
Inflation Assumption			6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-
Operating Leases		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-
Maintenance Contracts		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-
Insurance		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			5.60%	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-
Professional Services		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	5,000	5,100	5,202	5,306	5,412	5,520	
Total			5,000	5,100	5,202	5,306	5,412	5,520	
Research Services		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
% Allocation:									
Variable Expense		-	-	-	-	-	-	-	-
Fixed Expense	100.00%	-	-	-	-	-	-	-	-
Total			-	-	-	-	-	-	-
Travel & Education		2008	2009	2010	2011	2012	2013	2014	2015
Inflation Assumption			2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
% Allocation:									
Variable Expense		-	2,500	2,933	3,292	3,694	3,957	4,238	
Fixed Expense	100.00%	-	2,500	2,550	2,601	2,653	2,706	2,760	
Total			5,000	5,483	5,893	6,347	6,663	6,999	

**PRO-EXPENSES**

		2008	2009	2010	2011	2012	2013	2014	2015
Other	Inflation Assumption		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	% Allocation:								
	Variable Expense	-	-	-	-	-	-	-	-
	Fixed Expense	100.00%	-	-	-	-	-	-	-
	Total		-	-	-	-	-	-	-
INDIRECT EXPENSES	Total								

**INCREMENTAL YEAR-ON-YEAR ADDITIONAL EXPENSES - BEYOND INFLATION OF BASE EXPENSES**

		2009	2010	2011	2012	2013	2014	2015
Medical Supplies	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Implants	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Non-Medical Supplies	Variable Expense	-	4,858	5,804	6,637	7,586	8,278	9,032
	Fixed Expense							
	Total	-	4,858	5,804	6,637	7,586	8,278	9,032
Pharmaceuticals	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Purchased Medical Services	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Purchased Non-Medical Services	Variable Expense							
	Fixed Expense		10,000					
	Total	-	10,000	-	-	-	-	-
Facilities	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Operating Leases	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Maintenance Contracts	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-

**PRO-EXPENSES**

		2009	2010	2011	2012	2013	2014	2015
Insurance	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Professional Services	Variable Expense							
	Fixed Expense		5,000					
	Total	-	5,000	-	-	-	-	-
Research Services	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-
Travel & Education	Variable Expense		2,500					
	Fixed Expense		2,500					
	Total	-	5,000	-	-	-	-	-
Other	Variable Expense							
	Fixed Expense							
	Total	-	-	-	-	-	-	-

**Cost Savings Analysis**

Personnel	<i>FTE Reductions</i>	2009	2010	2011	2012	2013	2014	2015
FTE Type								
Staff								
Total FTE Reductions		-	-	-	-	-	-	-
	<i>Cost Savings</i>	2009	2010	2011	2012	2013	2014	2015
FTE Type								
Staff								
0								
0								
0								
0								
0								
Total Cost Savings - Salary Expense		-	-	-	-	-	-	-
Benefit Savings		-	-	-	-	-	-	-
Other Expenses	<i>Cost Savings</i>	2009	2010	2011	2012	2013	2014	2015
Medical Supplies								
Implants								
Non-Medical Supplies								
Pharmaceuticals								
Purchased Medical Services								
Purchased Non-Medical Services								
Facilities (expense driver is sq. ft.)								
Operating Leases								
Maintenance Contracts								
Insurance								
Professional Services								
Research Services								
Travel & Education								
Other								
Indirect Expenses								
Total Cost Savings - Other Expenses		-	-	-	-	-	-	-
<b>Total Cost Savings</b>		-	-	-	-	-	-	-

**CAPITAL REQUEST EXPENDITURES**

	Capital Cost Estimate	Source of Cost Estimate
Equipment		
Medical Equipment Costs		
Bronch Suite	2,116,926	Construction Mgmt
Prep / Recovery	192,059	Construction Mgmt
Equipment Piece C		
Equipment Piece D		
Total Medical Equipment	2,308,985	
Non-Medical Equipment	187,150	Construction Mgmt
Total Equipment Costs	2,496,135	
Construction Cost estimate	785,117	Construction Mgmt
Information Technology Cost Estimate	87,500	Construction Mgmt
Contingency Cost Estimate	35,688	Construction Mgmt
Other Cost Estimate	82,412	Construction Mgmt
<b>Total Capital Expenditures</b>	<b>3,486,852</b>	

**EXISTING DEPRECIATION & INTEREST**

Base Depreciation	2008
Base Interest Expense	

**NEW EQUIPMENT AND CONSTRUCTION INVESTMENTS**

**CAPITAL EXPENDITURES CASH**

	Capital Cost Estimate
Equipment	2,496,135
Construction	785,117
Information Technology	87,500
Contingency	35,688
Other	82,412
Capital Expenditures Cash Flow	3,486,852

2009	2010	2011	2012	2013	2014	2015
2,496,135						
785,117						
87,500						
35,688						
82,412						
3,486,852	-	-	-	-	-	-

**NEW DEPRECIATION**

Year Placed in Service	Capitalization	Useful Life	Outstanding WIP
2009			3,486,852
2010	3,486,852	10	-
2011			-
2012			-
2013			-
2014			-
2015			-
Total Capitalization	3,486,852		

2009	2010	2011	2012	2013	2014	2015
-	-	-	-	-	-	-
-	174,343	348,685	348,685	348,685	348,685	348,685
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	174,343	348,685	348,685	348,685	348,685	348,685

Days AR	
Days AP	
Days Accrued Payroll	

2009	2010	2011	2012	2013	2014	2015

Accounts Receivable	-	-	-	-	-	-
Accounts Payable	-	-	-	-	-	-
Accrued Payroll	-	-	-	-	-	-

Change in Accounts Receivable	-	-	-	-	-	-
Change in Accounts Payable	-	-	-	-	-	-
Change in Accrued Payroll	-	-	-	-	-	-

Total Change in Working Capital	-	-	-	-	-	-
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**DETAILED FINANCIAL SUMMARY**

	BASE	PROJECTED						
	2008	2009	2010	2011	2012	2013	2014	2015
Net Patient Service Revenue (Net of Charity Care)	3,955,359	-	1,650,481	1,954,857	2,215,734	2,510,592	2,766,885	2,992,636
Other Operating Revenue	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>3,955,359</b>	<b>-</b>	<b>1,650,481</b>	<b>1,954,857</b>	<b>2,215,734</b>	<b>2,510,592</b>	<b>2,766,885</b>	<b>2,992,636</b>
Personnel	359,160	-	381,033	439,559	490,116	547,011	599,245	643,666
Medical Supplies	-	-	214,832	254,469	288,440	326,828	361,881	391,374
Implants	-	-	-	-	-	-	-	-
Non-Medical Supplies	-	-	24,289	34,826	46,457	60,686	75,280	91,166
Pharmaceuticals	-	-	15,398	18,912	22,228	26,116	29,983	33,623
Purchased Medical Services	-	-	-	-	-	-	-	-
Purchased Non-Medical Services	-	-	10,000	10,310	10,630	10,959	11,299	11,649
Facilities	-	-	77,600	86,499	95,218	105,029	114,973	124,733
Operating Leases	-	-	-	-	-	-	-	-
Maintenance Contracts	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-
Professional Services	-	-	5,000	5,100	5,202	5,306	5,412	5,520
Research Services	-	-	-	-	-	-	-	-
Travel & Education	-	-	5,000	5,483	5,893	6,347	6,663	6,999
Provision for Uncollectible Accounts	77,176	-	56,358	67,229	76,745	87,578	97,073	105,744
Other (includes Indirect Expenses)	-	-	-	-	-	-	-	-
<b>Operating Expenses before Interest and Depreciation</b>	<b>436,336</b>	<b>-</b>	<b>789,511</b>	<b>922,387</b>	<b>1,040,928</b>	<b>1,175,859</b>	<b>1,301,809</b>	<b>1,414,474</b>
<b>EBITDA</b>	<b>3,519,023</b>	<b>-</b>	<b>860,970</b>	<b>1,032,470</b>	<b>1,174,805</b>	<b>1,334,733</b>	<b>1,465,076</b>	<b>1,578,162</b>
Interest	-	-	-	-	-	-	-	-
Depreciation	-	-	174,343	348,685	348,685	348,685	348,685	348,685
<b>OPERATING INCOME</b>	<b>3,519,023</b>	<b>-</b>	<b>686,628</b>	<b>683,785</b>	<b>826,120</b>	<b>986,047</b>	<b>1,116,391</b>	<b>1,229,477</b>
Operating Margin	89.0%	0.0%	41.6%	35.0%	37.3%	39.3%	40.3%	41.1%
Total CCF Impact								
Cost Savings	-	-	-	-	-	-	-	-
<b>Total CCF Impact</b>	<b>-</b>	<b>-</b>	<b>686,628</b>	<b>683,785</b>	<b>826,120</b>	<b>986,047</b>	<b>1,116,391</b>	<b>1,229,477</b>
<b>CASH FLOW</b>								
Operating Income	3,519,023	-	686,628	683,785	826,120	986,047	1,116,391	1,229,477
Depreciation	-	-	174,343	348,685	348,685	348,685	348,685	348,685
Principle Payments	-	-	-	-	-	-	-	-
Change in Working Capital	-	-	-	-	-	-	-	-
Other Cash Flow Impacts (backfill of vacated space)	-	-	-	-	-	-	-	-
<b>Cash Flow before Financing</b>	<b>3,519,023</b>	<b>-</b>	<b>860,970</b>	<b>1,032,470</b>	<b>1,174,805</b>	<b>1,334,733</b>	<b>1,465,076</b>	<b>1,578,162</b>
Capital Expenditure Cash Flow	-	3,486,852	-	-	-	-	-	-
<b>Cash Flow before Financing, less Capital Expenditure Cash Flow</b>	<b>(3,486,852)</b>	<b>860,970</b>	<b>1,032,470</b>	<b>1,174,805</b>	<b>1,334,733</b>	<b>1,465,076</b>	<b>1,578,162</b>	
	<b>@ Discount Factor - 2%</b>	<b>@ Discount Factor</b>	<b>@ Discount Factor + 2%</b>					
Present Value of Projected Cash Flow before Financing	5,643,477	5,173,754	4,755,271					
Present Value of Projected Capital Expenditure Cash Flow	3,289,483	3,228,567	3,169,865					
Net Present Value	2,353,994	1,945,187	1,585,406					
IRR	23.9%							
Payback Period	4 Year(s); 4 Month(s)							
Profitability Index	1.72	1.60	1.50					
ROI	160%							

<b>DISCOUNT FACTOR CALCULATION</b>	% Allocation	Int. Rate	% Return
Equity	60%	6%	3.6%
Debt	40%	3%	1.2%
	100%		
Weighted Average Cost of Capital (WACC)			4.8%
Expected Return			3.2%
Discount Factor before Risk Adjustment			8.0%
Risk Adjustment			
<b>Discount Factor after Risk Adjustment</b>			<b>8.0%</b>

<b>PAYBACK PERIOD CALCULATION</b>	2009	2010	2011	2012	2013	2014	2015
Cash Flow before Financing	-	860,970	1,032,470	1,174,805	1,334,733	1,465,076	1,578,162
Capital Expenditure Cash Flow	3,486,852	-	-	-	-	-	-
	4.00	-	-	-	4.00	-	-
	4.00	-	-	-	0.31	-	-

<b>TECH BREAK EVEN ANALYSIS</b>	2008	2009	2010	2011	2012	2013	2014	2015
Average Tech Net Revenue per Equivalent Patient Day	1,429	-	1,519	1,567	1,615	1,666	1,718	1,772
Average Tech Variable Expense per Equivalent Patient Day	38	-	406.53	420.49	434.97	450.01	465.62	481.83
Tech Variable Margin per Equivalent Patient Day	1,390	-	1,113	1,146	1,180	1,216	1,252	1,290
Total Tech Fixed Expenses	46,010	-	101,012	108,966	116,598	124,902	133,139	141,107
<b>Break Even # of Equivalent Patient Days</b>	<b>33</b>	<b>-</b>	<b>91</b>	<b>95</b>	<b>99</b>	<b>103</b>	<b>106</b>	<b>109</b>

## LIST OF DATA ELEMENTS FOR BASE

### *Statistics and Revenue (Tech and Pro):*

Population served in market  
Staffed Beds  
Discharges by payor  
Patient Days by payor  
OP Visits by payor  
Clinic Visits by payor  
IP Gross Revenue by payor  
OP Gross Revenue by payor  
Clinic Gross Revenue by payor  
IP Net Revenue, before charity and bad debt, by payor  
IP Case Mix Index, by payor  
OP Net Revenue, before charity and bad debt, by payor  
Clinic Net Revenue, before charity and bad debt, by payor  
Bad Debt as % of Gross Revenue  
Charity as % of Gross Revenue  
Other net patient revenue (care assurance, premium revenue)  
Other operating revenue

### *Salaries and Benefits (Tech and Pro):*

Variable salaries by type of FTE  
Fixed salaries by type of FTE  
Average Salary per FTE by type of FTE  
Benefit % of total salaries by type of FTE

### *Operating Expenses (Tech and Pro):*

\*\*Assumption for each of the following operating expenses for fixed/variable %\*\*

Medical Supplies  
Implants  
Non-Medical Supplies  
Pharmaceuticals  
Purchased Medical Services  
Purchased Non-Medical Services  
Facilities and square footage  
Operating Leases  
Maintenance Contracts  
Insurance  
Professional Services  
Research Services  
Travel & Education  
Other  
Indirect Expenses

### *Other:*

Depreciation  
Interest Expense  
Days AR  
Days AP  
Days Accrued Payroll