| J.7 | United Medical Center Summary |
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## United Medical Center Summary

- Formerly Greater Southeast Community Hospital, this lone hospital east of the Anacostia River was once owned by Envision Hospital Corp., an Arizona company formerly known as Doctors Community Healthcare, since 1999.
- In 2007, after serious financial uncertainty, rounds of bankruptcies, and intense city scrutiny, DC government brokered a deal with Specialty Hospitals of America (SHA) to take ownership of the struggling hospital. The efforts we led in large part by Councilmember David Catania
- The public-private partnership included $79 million of DC tobacco settlement funds to finance the deal and provided a combination of operating and capital loans and grants to SHA to turn around the ailing institution.
- SHA, which at the time operated two SNF/LTAC facilities in the area (Specialty Hospitals Washington – Capitol Hill, and Specialty hospitals of Washington – Hadley), used the funds to support long-overdue capital improvements to the hospital building. It also brought in Quorum Health Resources to manage the hospital.
- SHA's plans included converting the 400 bed hospital into a 180 acute care hospital, a 120 bed SNF, and a 50 bed LTAC. The CON and licensure process lasted approximately a year. The arrangement included a contract between the new SNF and LTAC to purchase services from UMC.
- Soon after the new ownership took effect, the hospital lost accreditation from the Joint Commission for significant deficiencies resulting from prior year's poor management and investment. The new ownership and management firm thus prioritized improving patient care, quality, and other factors, which resulted in reaccreditation the following year.
- City oversight of the public-private partnership was chaired by Peter Nickles, the former Attorney General, and included reps from Council offices, the AG, the Mayor's General Council, DOH, DHCF, and OCFO.
- In late 2008, a dispute between Quorum and SHA emerged resulting in the termination of the contract, and the introduction of a new CEO, Frank DeLisi, and CFO, Derrick Hollings.
- In the fall of 2008, UMC applied for and was awarded $11 million by DOH to construct a pediatric emergency department on the UMC campus. This was done in a partnership with CNMC, which was to operate the facility as a satellite from their Michigan Ave. campus.
- The Council passed emergency legislation in late 2008 to provide a $5.9 million operating grant to UMC to address its ongoing financial shortfalls. DHCF was to administer this grant, which used Healthy DC funds.
- The grant for $5.9 million included support for external management consultants to provide UMC and the city with support in turning around the financial situation of the hospital.
- The selected vendor, Integrated Health Care, found alarming financial situations and plans at UMC, the most notable of which was that SHA, the UMC parent company, had not paid anything for nearly 2 years of purchased services for the SNF and LTAC. SHA contended that this amount was offset by services

provided by SHA to UMC, and so the "due to/due from" was a wash. This amount owed to UMC, which is still contested to this day, is estimated to be anywhere from $2.5 million to $7 million.

- In 2009, DHCF put in two SPAs related hospital payments, one to rebase hospital DRGs, the other to amend the formula for DSH. Both were done to update and refine the current payment methodologies to better reflect care delivery and distribution in DC; UMC was projected to receive increased Medicaid payments as a result of both SPA actions. The DSH SPA has been approved, raising UMC's annual DSH from ~$4 million to $13 million. The DRG SPA has not yet been approved by CMS, but it will be retroactive to April 1, 2010.
- Despite a positive impact on UMC's finances, the possible mismanagement and lack of payment from SHA resulted in the city calling its loan on SHA, and after lack of payment, pursuing a foreclosure on UMC and the associated property.
- On July 7, 2010, DC foreclosed on UMC and assumed control of the facility as an instrumentality of the District, to be overseen by a board of directors appointed by the Mayor and Council. The Mayor appointed his members in July, while the Council did not appoint their members until December
- Frank DeLisi remained as CEO, and retained Derrick Hollings at CFO.
- Leading up to and after the foreclosure, the city held daily oversight calls, weekly in-person meetings with UMC leadership, and monthly oversight meetings with a larger city oversight team.
- As part of the city, the CFO assumed oversight of UMC's finances. During recent Council oversight hearings on UMC in January, there was a discrepancy between the financial status/projections between CFO Natwar Gandhi and UMC leadership. In particular, there is dispute regarding whether or not UMC poses a financial risk to the city and will require additional subsidy, or has it turned the corner and is becoming revenue positive.

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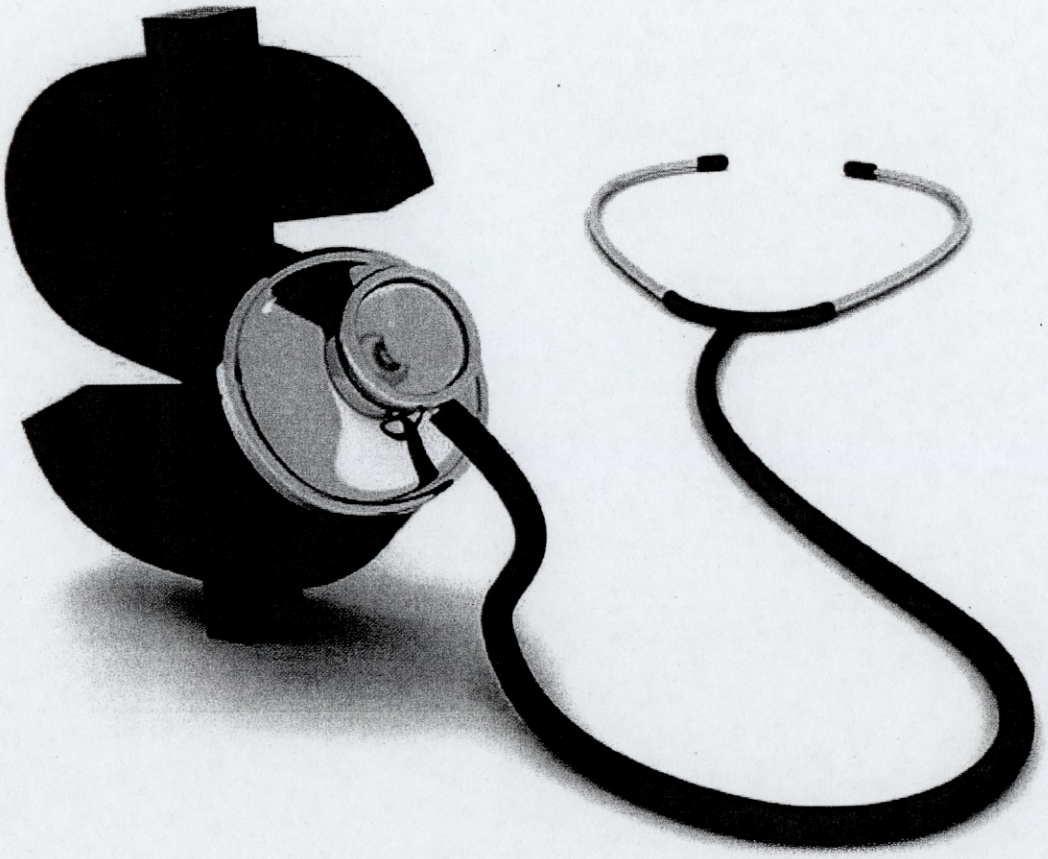
|---|---|
| J.8 | United Medical Center Fiscal Year 2011 Budget |



# United Medical Center

## Fiscal Year 2011 Budget

# United Medical Center

## Fiscal Year 2011
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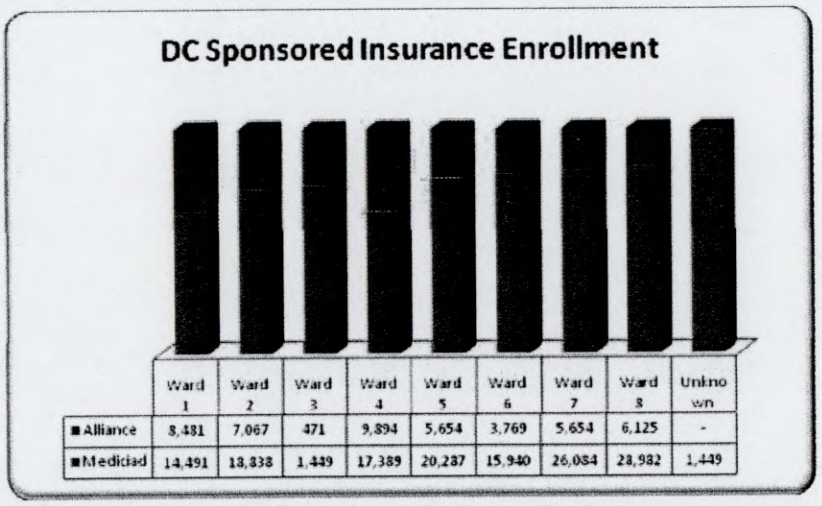
## Overview

Healthcare is one of the top social and economic problems facing Americans today. The rising cost of medical care and health insurance is impacting the livelihood of many Americans in one way or another. The inability to pay for necessary medical care is no longer a problem affecting only the uninsured, but is increasingly becoming a problem for those with health insurance as well. In 2009, nearly 50 million Americans did not have health insurance, while another 25 million were underinsured. The amount people pay for health insurance increased 30 percent from 2003 to 2007, while income for the same period of time increased only 3 percent. The total annual premium for a typical family health insurance plan offered by employers was $12,680 in 2008. Healthcare expenditures in the United States exceed $2 trillion a year. Health Care Reform began its historic journey on March 23, 2010. Most Americans would agree that health care reform was needed, but the disagreements were on how a new health care system should be structured and funded.

The District of Columbia has been on the leading edge of providing access to comprehensive, cost effective, and high quality health care services. Medicaid, the State Children's Health Insurance Program (SCHIP), and the DC Healthcare Alliance cover approximately 192,000 residents. The chart below presents an analysis of DC Sponsored Insurance Enrollment by Ward.




| | Ward 1 | Ward 2 | Ward 3 | Ward 4 | Ward 5 | Ward 6 | Ward 7 | Ward 8 | Unknown |
|---|---|---|---|---|---|---|---|---|---|
| Alliance | 8,481 | 7,067 | 471 | 9,894 | 5,654 | 3,769 | 5,654 | 6,125 | - |
| Medicaid | 14,491 | 18,338 | 1,449 | 17,389 | 20,287 | 15,940 | 26,084 | 28,982 | 1,449 |

United Medical Center's primary service market includes Wards 7 and 8. These two Wards account for approximately 35% of enrollees in District insurance programs. Two-third of Medicaid beneficiaries and all of the Alliance beneficiaries are enrolled in a managed care plan. The total Medicaid Managed Care enrollment is about 160,000. Chartered Health Plan has about 105,000 enrollees and United Healthcare (UNISON) has the remaining enrollment of 55,000. The new Health Care Reform legislation provided the District options for Federal funding coverage for all low income populations, regardless of age, disability or family status. This change will have implications on the disproportionate share fund and DC Healthcare Alliance program.

The District of Columbia purchased United Medical Center on July 9, 2010. Not-for-Profit Hospital Corporation Establishment Emergency Amendment Act of 2010 legislated rules for employees, governance, funds flow, procurement, regulatory and corporate requirements. This new entity is legally known as the Not-for-Profit Hospital Corporation (NFPHC).

## Mission, Vision, and Values

### Mission

To be a comprehensive health care organization that cares for the sick and provides quality, cost-competitive services in a financially successful environment while improving the health and well being of our community.

### Vision

Our vision is to be the preferred medical center for

- Our patients
- Our physicians
- Our staff
- Our community

### Values

**Customer Service:** Every customer interaction is an opportunity to make a positive difference. Excellent service must be the result of our efforts.

**Communications:** We expect a clear and open exchange of information that will enhance the understanding of our internal and external customers' needs, wants and expectations.

**Ethics, Honesty, and Integrity:** We believe in a code of ethics that embodies mutual respect, fairness and truthfulness.

**Innovation:** We value the willingness and ability of all employees to create the future together. We support and encourage new ideas, approaches and attitudes that result in new and improved services and customer satisfaction.

**People:** Employees, physicians, volunteers and students will ultimately define our success. We treat one another in a dignified, respectful and courteous manner. We value and are committed to our rich tradition of cultural diversity.

**Quality:** We strive to provide services that exceed our customers' needs, wants and expectations.

**Teamwork:** We support an environment that fosters working cooperatively to achieve a common goal.

## Strategic Imperatives

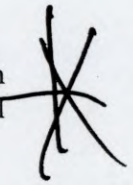
UMC has tremendous potential; however, by no means is success guaranteed. UMC's success in large measure will depend upon careful planning, successful relationship building with key stakeholders including the community, legislators, and providers as well as implementation of the following critical strategies.

- Successfully achieving the right balance of medical staff. This requires drawing upon the strengths of current medical staff, as well as developing relationships and partnering with

private, community-based physicians to provide health care to greater numbers of commercially insured District residents.

- The campus requires development. Such as building another medical office building that can be used by physicians to provide outpatient diagnostic care and procedures for their patients.
- Providing the clinical programming and staffing to reflect and meet the expectations of targeted markets, both safety net and private market patients.
- Developing facility accommodations that can meet the needs and expectations of those with "choice" as compared to those whom have been historically uninsured, and without choice.
- Developing unquestionable financial strength, such as an "A-Rated Hospital." This will require UMC to attract private insurance customers in order to provide sufficient operating revenue (i.e., must target revenue generating ambulatory procedures, geriatric services, etc.) to support the continuing viability and growth of UMC.

United Medical Center's primary service area is the District of Columbia's Wards 7, 8, and the surrounding Maryland zip codes - drawing mainly from Prince George's County. In total, Wards 7 and 8 make up approximately 25% of Washington, D.C.'s total population and suffer from the highest unemployment rate in the D.C. metro area. The death rate from heart disease in Ward 7 is 33% above the national average. The death rate from cancer is 34% above the national average, and the death rate from hypertension in Wards 7 and 8 is 701% above national rates. The HIV/AIDS rate in Wards 7 and 8 is dangerously above the national rate of 4.4 per 1000 population. Diabetes rates are more than twice the national average, and the infant mortality rate is more than three times the national average.

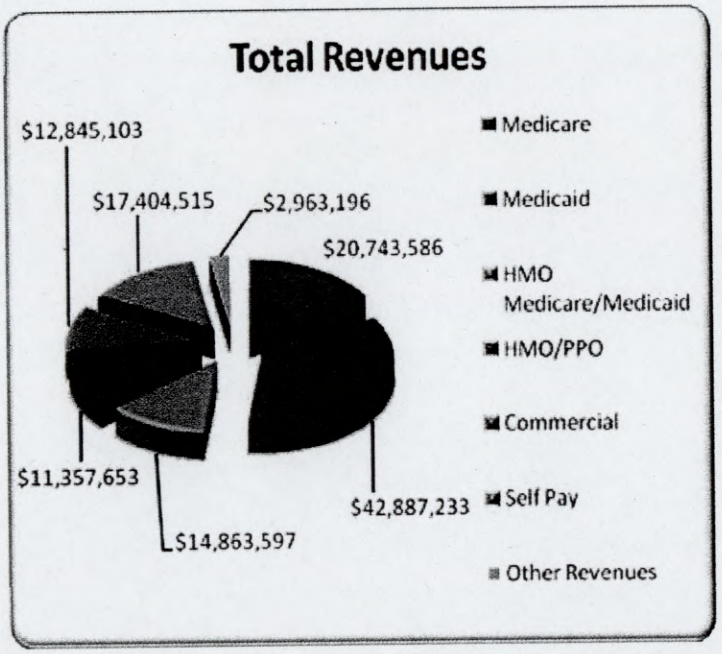


During fiscal year 2011 the Hospital continues its assimilation into the NFPHC. The additional reimbursements plus expansion of programs and services will allow UMC to generate positive cash flows. The 2011 Budget takes another step toward reducing healthcare disparities in our primary service area.

1. **Pediatric Emergency Room** – Children's National Medical Center opened its pediatric emergency room on the campus of United Medical Center. We anticipate serving about 20,000 children per year when this program reaches maturity sometime in the next 18 months.
2. **Skilled Nursing Facility** – A 120-bed skilled nursing facility opened October 1, 2010 on the 6th and 7th floors of the Hospital. This program will house chronically ill, mostly elderly patients and provide long-term nursing care, rehabilitation, and other services. In fiscal year 2011, the United Medical Nursing Center should average about 105 patients per day and generate $10.9 million in revenue – of which $9.7 million is expected from Medicaid.
3. **Obstetrics and Gynecology** – UMC entered into a joint venture agreement with Washington Hospital Center and Unity Health Care that will expand our capability for delivering babies east of the Anacostia River. Currently, we deliver about 400 babies each year. In the 1980s, the Hospital delivered over 2,000 babies annually. This year, we believe our joint venture will add 541 babies to our deliveries total. Eventually, we believe the number of births at UMC could grow to 2,500 annually.

4. **Primary Care Health Disparities Center** – Howard University Health Services Enterprise (HSE) and United Medical Center are collaborating to establish The ROSE Collaboration (Reaching Out to Serve and Empower People with HIV/AIDS), a comprehensive HIV/AIDS care and treatment program that will serve the District's most disenfranchised, low-income and underserved populations. This collaboration will provide services to more than 600 persons living with HIV/AIDS in the District of Columbia.

United Medical Center 2011 Total Revenues budget is $123.1 million. The largest slice of the pie is Medicaid with $42.9 million. Medicaid revenues includes $13.7 million from the disproportionate share fund, $9.7 million in revenues is expected from our new skilled nursing facility, OB/GYN services will generate $1.9 million in Medicaid revenues, and the remaining $17.6 million is generated from routine inpatient and outpatients services. In addition to revenues received directly from DC Medicaid, we expect Medicaid managed care revenues of $14.9 million through services provided to Chartered Health Plan and United Healthcare subscribers. In total, $57.8 million or 47% of the $123.1 million of Total Revenues is received from Medicaid payment sources. Another $20.7 million or 17% is generated from the government sponsored program known as Medicare. The HMO/PPO revenue of $11.3 million includes workers compensation, Champus, Department of Corrections and other Medicare by-products. Self Pay revenues of $17.4 million are composed primarily of bad debt and charity care. About $1.8 million of the Self Pay revenues represent co-insurance and

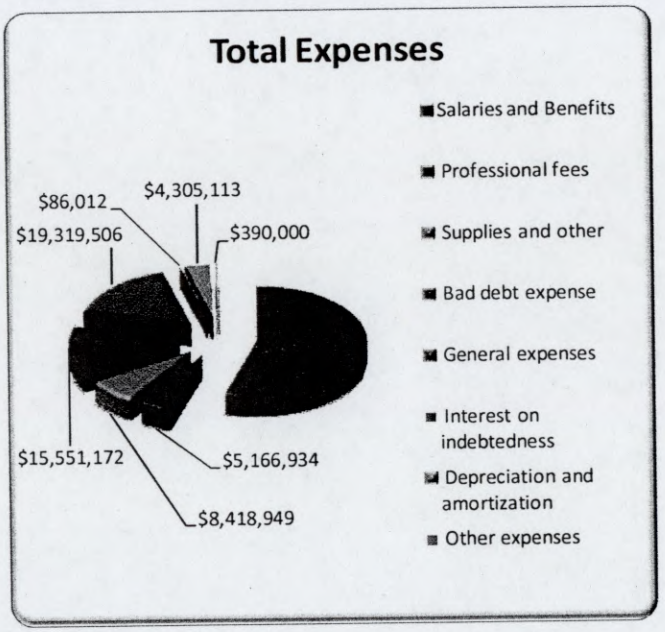



deductibles. The remaining $15.6 million is offset by the provision for bad debt reported in operating expenses. In summary, approximately $89.8 million of the $123.1 million or 73% is generated from government sponsored programs. Historically, the programs sponsored by Medicare and Medicaid reimbursements are less than the cost of providing these services. UMC reimbursements for these programs are about 30% of billed charges.

Total Expenses of $117.7 million includes total operating expenses of $112.9 million and total capital cost of $4.7 million. Salaries and benefits are $64.5 million or 55% of total expenses. The new skilled nursing facility accounts for $6.8 million of the $64.5 million salaries and benefits cost. General expenses of $19.3 million include costs associated with insurance, utilities, rents and leases.

Hospitals generally have a substantial amount of fixed cost. This is a direct result of licensure requirements and associated minimum staffing levels necessary to accommodate uneven flows of patients seeking medical care. Hospital breakeven levels are typically greater than 85% of staffed occupancy capacity. Variable costs are mainly included in the $8.4 million of supplies cost and the marginal costs of treating patients beyond breakeven are normally modest. Bad debt expense of $15.6 million or 13% of total expenses are mostly charity care expenses. Salaries, Supplies and General expenses account for 80% of Total Expenses.

The acute care hospital Total Expenses are $105.8 million and the skilled nursing facility Total Expenses are $11.9 million - combined Total Expenses are $117.7. For Fiscal Year 2011, United Medical Center budgets $123.1 million in Total Revenues and incur $117.7 million in Total Expenses, resulting in net income of $5.4 million or 4.4% total margin.




## Operating Budget

A hospital admission starts the revenue cycle process for inpatients. Physician orders are required before an admission can occur. Roughly 2 out of 3 admissions come from patients seeking emergency medical care. Upon admission, these patients are assigned a diagnosis selected from a Diagnostic Related Group table. Diagnostic Related Group (DRG) is a system to classify hospital cases into one of approximately 500 groups, also referred to as DRGs. The DRG drives reimbursement and serves as a proxy for determining expected hospital resource use. DRGs are assigned by a "grouper" program based on International Statistical Classification of Diseases and Related Health Problems (most commonly known by the abbreviation ICD), procedures, age, sex, discharge status, and the presence of complications or comorbidities.

Based on 194 operating beds, UMC projects 1,417 admissions or 26% increase in hospitalized patients over Fiscal Year 2010. Obstetric accounts for 734 of the increased admissions. Nursery admissions account for 541 increased admissions. Combined 1,275 of the 1,417 admissions are associated with our joint venture with Washington Hospital Center and Unity Health Care. The remaining 142 admissions or 3% growth over Fiscal Year 2010 relate to same store growth of base operating volumes. Hospital average patient stay is expected to drop from 5.6 days in 2010 to 5.1 days in 2011. The growth in Obstetrics and Nursery admissions of 1,275 with an average patient stay of 2.9 days is the primary driver for an expected lower patient stay in 2011. The acute inpatient psychiatry average patient stay of 9.0 days is the highest amongst programs offered at the Hospital.

## Inpatient Statistics

The following table presents acute admissions trends by services provided

| Acute Admissions | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Medical/Surgical | 5,283 | 4,941 | 3,828 | 4,065 |
| OBGYN | - | - | 514 | 1,248 |
| Nursery | 444 | 401 | 418 | 959 |
| Psychiatry | 725 | 815 | 702 | 607 |
| **Total Acute Admissions** | **6,452** | **6,157** | **5,462** | **6,879** |

UMC net patient services revenues of $120.1 million depends upon achieving 6,879 inpatient admissions, plus associated ancillary services and therapy treatments ordered by physicians. Revenues also are derived from 106,743 outpatient visits and procedures. These services will generate $300.1 million in gross charges and fees. Reimbursements are based on negotiated payment rates. The gross charges do not reflect what we are actually paid. UMC has entered into agreements with third-party payers, including government programs and managed care health plans, under which the hospital is paid based upon the cost of providing services, predetermined rates per diagnosis, fixed per diem rates or discounts from gross charges. Therefore, reimbursement for nearly every service provided varies based on who is responsible for payment.

The following table presents acute admissions by payment source.

| Admissions by Payors | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Medicare | 1,959 | 1,768 | 1,615 | 1,501 |
| Medicaid | 1,773 | 1,919 | 1,612 | 2,497 |
| HMO Medicare/Medicaid | 1,187 | 1,145 | 1,138 | 1,615 |
| HMO/PPO | 1,108 | 967 | 722 | 830 |
| Commercial | 247 | 264 | 240 | 288 |
| Self Pay | 178 | 94 | 135 | 149 |
| **Total Admissions** | **6,452** | **6,157** | **5,462** | **6,879** |

UMC receives a significant portion of its revenues from government health programs, principally Medicare and Medicaid, which are highly regulated and subject to frequent and substantial changes. Legislative changes have resulted in limitations and even reductions in levels of payments to UMC for certain services under these government programs. Unreimbursed costs are shifted to private insurance and results in reimbursement being higher for substantially the same services provided to government program participants. UMC generates about 14% of its revenues from private insurance carriers. Therefore, the opportunity for cost shifting is at best modest.

## Outpatient Statistics

The emergency room accounts for about 2 out of 3 hospital admissions. Children's National Medical Center opened its pediatric emergency room on the campus of United Medical Center. We anticipate roughly 5,000 of the 42,564 visits in Fiscal Year 2010 will be seen at the new pediatric emergency room. In the future, the UMC emergency room will treat only adults seeking medical care. Even with this change, we anticipate current year growth will more than offset pediatric volumes transfers to Children's. Clinic visits are expected to grow 8,192 over Fiscal Year 2010. Growth in services provided to Children's National Medical Center, skilled nursing facility and expansion of our primary care health disparities center will drive increases in outpatient activities. UMC is optimistic that marketing of our new radiology group will spur growth in radiologic outpatient procedures.

The following table presents the trend of key outpatient statistics.

| Outpatient Statistics | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Emergency room | 35,382 | 39,759 | 42,564 | 42,893 |
| Clinics visits | 46,153 | 55,611 | 54,787 | 62,979 |
| Day surgery | 864 | 740 | 792 | 871 |
| **Total Outpatient Visits** | **82,399** | **89,864** | **98,143** | **106,743** |

## Net Revenues and Bad Debt

UMC does not pursue collection of amounts related to patients who meet the Hospital's guidelines to qualify for charity care; therefore, they are not reported in revenues. Instead, these costs are reported as part of our cost of doing business. UMC policy is to provide discounts to uninsured patients who do not qualify for Medicaid or our charity care program. These discounts are similar to those provided to healthcare insurance plans.

The following table presents trends in net revenues and related bad debt expense.

| Net Revenue and Bad Debt (in thousands) | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Net revenues | 80,556 | 91,532 | 95,835 | 120,102 |
| Bad debt expense | 10,715 | 12,869 | 13,827 | 15,551 |
| Bad debt as % of net revenues | 13.3% | 14.1% | 14.4% | 12.9% |

The 2011 net revenues will increase $24.3 million over the $95.8 million projected in 2010. About half of this increase or $11.0 million can be traced to our 120-bed skilled nursing facility. The OB/GYN joint venture accounts for roughly $4.0 million of increased revenues. We entered into new contracts with our major Medicaid Managed Care insurers. These contracts will increase revenues $2.5 million. Volume increases for admissions, patient days, clinic and emergency room visits account for another $3.2 million of increased revenues. The District of Columbia Medicaid Disproportionate Share Hospital (DSH) program provides funding to subsidize certain hospitals for the unreimbursed costs they incur treating uninsured and Medicaid patients. About $3.6 million of the $24.3 million increase can be traced directly to the DSH. Under Health Care Reform, the DHS program is a funding source for the under insured and uninsured who qualify for subsidies. These funding reductions in Medicaid DSH payments are based on the expectation that expansions in insurance coverage will lead to reductions in uncompensated care. However, even in a reformed health care environment, DSH payments will still be necessary to support care for those who remain uninsured. The change in bad debt percentage of net revenue from 14.4% in 2010 to 12.9% in 2011 is due to increased revenues for DSH and SNF. DSH has no bad debt associated with its revenues. SNF has a very modest bad debt factor. UMC's charity care and bad debt experience remains unchanged.

| Payment Sources | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Medicare | 30% | 29% | 33% | 33% |
| Medicaid | 27% | 31% | 26% | 26% |
| Health Alliance | 18% | 19% | 19% | 18% |
| Managed Care | 17% | 16% | 14% | 15% |
| Commercial | 4% | 4% | 6% | 5% |
| Self Pay | 3% | 2% | 2% | 2% |
| **Total Payors Mixture** | **100%** | **100%** | **100%** | **100%** |

## Salaries and Benefits

Full Time Equivalents (FTEs) per adjusted occupied bed is an efficiency ratio used to measure productivity. This key ratio creates equivalent inpatient units from outpatient activity. It measures the number of full time equivalents used to staff your equivalent average daily census. Lower numbers suggest higher productivity. The average annual salary of $65,585 includes a 3% provision for employee raises. Salary and benefits increased $9.8 million over the 2010 $54.7 million. The skilled nursing facility accounts for $6.8 million of the $9.8 million increase. Employee raises account for $1.6 million. Our expanded Obstetric and Nursery program is responsible for $1.0 million.

The following table presents the workforce trend and related compensation.

| Salaries and Benefits | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| FTEs per adjusted occupied bed | 3.67 | 4.90 | 3.72 | 3.67 |
| SNF FTE | - | - | - | 106 |
| OB FTE | - | - | 32 | 40 |

| Salaries and Benefits | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Total general paid FTEs | 689 | 697 | 678 | 782 |
| Hospital average annual salary | 58,487 | 60,767 | 63,671 | 65,585 |
| SNF average annual salary | - | - | - | 52,139 |
| Total average annual salary | 58,487 | 60,767 | 63,671 | 60,411 |
| Salaries and benefits | 53,997,000 | 56,019,000 | 54,697,517 | 64,511,129 |
| Fringe benefits % | 23.1% | 23.3% | 23.1% | 23.1% |

Employee group health insurance rates are expected to increase 2.51% and group life and disability coverage about 22%. The employer-employee splits of health insurance premiums will remain the same for this budget year. Vacation and Holidays pay practices will remain unchanged. The 401(k) program is being replaced with 401(a) and 457(b) retirement programs. It is expected the cost of these programs to the Hospital and employees will not change from the levels of Fiscal Year 2010.

## Professional Fees

The Professional Fees table presents costs associated with contracted labor. The physician costs are for around the clock daily coverage of hospital services. Professional fees include costs for coverage of hospital services such as the emergency room, radiology, and for physicians serving as medical directors of various hospital programs and services. We are in the process of redesigning physician coverage arrangements. At this time, we are not far enough along in the process to include proposed changes in the 2011 budget.

| Professional fees (in thousands) | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Professional fees | 4,597 | 5,183 | 4,924 | 5,167 |
| Contract labor | 4,750 | 3,645 | 1,585 | 1,729 |

The Washington Hospital Center (WHC) joint venture with UMC in obstetrics impacts costs budgeted in professional fees for coverage. WHC will provide 24 hour - 7 day week coverage of UMCs obstetrics program. The professional fees reimbursement associated with this service will be retained by WHC. UMC will retain all Hospital reimbursements for births at our facility. The professional fee cost associated with this arrangement is expected to be about what was paid in Fiscal Year 2010. Final details relating to changing of our outsourced radiology group are being worked out. Therefore, our budget for this service is roughly $1.8 million or about the same as last fiscal year.

## General Expenses

The General Expenses table represents general expenses. Purchased services has been zero based budgeted. Our intent was to eliminate non-recurring and boutique styled items. The skilled nursing facility accounts for $3.6 million of the increase over FY 2010. The OB/GYN

program will add about $800 thousand per year to our malpractice insurance expense. An inflation factor of about 2.5% has been added to reflect the growing costs of doing business.

| General Expenses (in thousands) | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Purchased services | 8,939 | 7,477 | 7,269 | 9,525 |
| Repairs and maintenance | 1,371 | 1,095 | 438 | 421 |
| Insurance | 1,406 | 1,400 | 1,276 | 3,676 |
| Utilities | 3,007 | 2,909 | 2,852 | 2,994 |
| Rents and leases | 980 | 1,086 | 1,097 | 1,009 |
| Others | 2,541 | 1,838 | 1,176 | 1,694 |
| **Total** | **18,244** | **15,804** | **14,107** | **19,319** |

Perhaps the most significant change in general expenses relates to our investment in customer service programs, marketing collaterals for our clinical programs, web site and community outreach initiatives. Included in the Fiscal Year 2011 budget is roughly $1.4 million for these initiatives. Expenditures will be made after sufficient revenues are generated to cover our mission critical services.

### Supplies and Other

The following Supplies and Others table presents costs for medical-surgical supplies, drugs and other costs such as office, janitorial and food service supplies. We see tremendous opportunity to reduce medical and surgical cost through greater participation in group purchasing organizations. In previous years, we have been able to absorb inflationary costs. The goal this year is to hold supply cost increases to inflation. In Fiscal Year 2010, we paid sales taxes of about $1.0 million and supplies and other expenses cost more because of our low credit standing. Fiscal Year 2011 will be a year of assimilation into District procurement processes and practices. We expect this transition to result in lower supply cost. Because of the numerous moving parts during this early development stage of UMC, we will not budget expected savings.

| Supplies and Others (in thousands) | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Medical Surgical and Other Supplies | 6,712 | 6,254 | 5,551 | 6,167 |
| Pharmaceuticals | 1,774 | 2,425 | 2,316 | 2,252 |
| **Total** | **8,486** | **8,679** | **7,867** | **8,419** |

## Skilled Nursing Facility

United Medical Nursing Center (UMNC) is a 120-bed skilled nursing facility. As a distinct part of the Hospital, our skilled nursing facility provides short or long-term medical and residential care, 24 hours a day. UMNC is an ideal living place both for residents needing long-term nursing care and those needing just a little more time to recover from a hospital procedure under closer medical supervision before returning home. Located on the 6$^{th}$ and 7$^{th}$ floors of the

Hospital, our residents receive a full range of services from a team of skilled healthcare professionals, all of whom are dedicated to enhancing each person's quality of life.

The skilled nursing facility opened on October 1, 2010. Department of Health Care Finance Agency (DHCF) approved a reimbursement rate of $283.55 per day for patients sponsored by Medicaid insurance. United Medical Center and United Medical Nursing Center entered into a Purchased Services Agreement (PSA) for about $3.6 million in support and clinical services to be purchased from the Hospital. These services include laboratory, radiology, plant operations, utilities, dietary, housekeeping, and liability insurance coverage. The allowable cost (reimbursable costs) under the PSA as defined by DHCF is $3.1 million. Therefore, UMNC costs in the 2011 Budget exceed the DHCF allowable costs by $500 thousand. The $500 thousand excess costs account for nearly 60% of the SNF 2011 budget loss of $904 thousand. Our budget payor mix assumption is 93% Medicaid and 7% Medicare patients. This is a very important service for the Hospital and District residents. By the end of Fiscal Year 2011, the skilled nursing facility will have a monthly average daily census run rate of 114 patients or 95% occupancy.

## Capital Expenditure Budget

The market potential of United Medical Center is significant. We are the only acute care hospital east of the Anacostia River. However, we manage to secure only 17% of Medicare inpatients from our primary service area. Studies have attributed this low market share directly to the chronic deficiencies associated with the facility, namely an aged physical plant with deteriorating conditions, lack of physician specialties, and a lack of treatment and diagnostic tools. The community has seen dramatic improvements over the past several years.

United Medical Center has undergone significant improvements, including over $30 million in building and equipment upgrades. The investments made by the District have provided UMC's staff the ability to effectively diagnose and treat District patients. These investments include the first Magnetic Resonance Imaging (MRI) machine located in Ward 8, a new Cardiac Catheterization Laboratory, new CT scanners, new Gamma cameras, new dialysis machines and respirators. Along with equipment upgrades, UMC has also undergone several critical building infrastructure improvements. These include a new energy efficient exterior, a new roof and new chillers and boilers. Capital improvements not only help enhance the patient experience, but also dramatically increase the quality of care offered at UMC. In addition to build and equipment upgrades, UMC has expanded services over the last two years. These service expansions include increasing the amount of beds available for acute care, expanding the primary care clinic to include medical and surgical specialists, expansions in wound care and the skilled nursing facility. UMC was also awarded $11 million by the District of Columbia for capital costs associated with building a new pediatric emergency room operated by Children's National Medical Center. This new facility opened in September 2010. The first dedicated pediatric emergency department located east of the Anacostia River will ensure that Wards 7 and 8 residents can receive quality care in their community.

Fiscal Year 2011 Capital Expenditure Budget features the replacement of bed side monitoring systems. Most of the past capital expenditure investments have been in major diagnostic equipment such as MRI, CT-Scanners, and Hyperbaric Chambers.. Some of the monitoring equipment targeted for replacement is close to 20 years old. The purchase of this equipment will have a profound impact on enhancing nursing care. The development of digital signal processing (DSP) technology and medical monitors has evolved enormously. All of the models

to be purchased are digital, which also has the advantages of miniaturization and portability. This new equipment gives UMC caregivers the capability of multi-parameter monitors to track many different vital signs at once (Dashboard). For example, these parameters will consist of pulse oximetry, ECG (electrocardiograph - waves of the heart rhythm), blood pressure, body temperature through an adhesive pad, capnography ($CO_2$ measurements), and respiration (through a thoracic transducer belt). Besides the tracking of physiological parameters, these digital medical monitors generate automated numeric readouts of the peak and/or average parameters displayed on the screen. High/low alarm levels can be set to alert staff when a parameter exceeds or falls below the level limits.

This equipment will be connected to our network and allow output will be sent to the central monitoring station, where a single staff member can observe and respond to several bedside monitors simultaneously. The digital monitoring systems will integrate the physiological data from the patient monitoring networks into the emerging UMC electronic health record and digital charting systems. This newer method of charting patient data reduces the likelihood of human documentation error and will eventually reduce overall paper consumption. In addition, our automated ECG interpretation will incorporate diagnostic codes automatically into the charts. Medical monitors' embedded software can take care of the data coding according to these standards and send messages to the medical records application, which decodes them and incorporates the data into the proper fields.

This capital plan will be financed through cash generated from operations. The following table presents a detailed accounting of United Medical Center's Fiscal Year 2011 Capital Expenditures Plan.

| Item Number | Descriptions | Service | Priority | Category | 2011 |
|---|---|---|---|---|---|
| 1 | Neonatal Intensive Care Unit - Monitoring Solution | Women's Health | 1 | Patient Care | $ 86,300 |
| 2 | Nursery Monitoring Solution | Nursery | 1 | Patient Care | 47,700 |
| 3 | Renovation of Radiology Reading Room | Radiology | 1 | Patient Care | 10,000 |
| 4 | Radiology Fusion Voice Recognition Dictation System | Information Technology | 1 | Patient Care | 150,000 |
| 5 | Toshiba CT Scanner Tube | Radiology | 1 | Patient Care | 80,000 |
| 6 | Tissue Processor Embedding System | Laboratory | 1 | Patient Care | 49,000 |
| 7 | Dietary Oven | Dietary | 1 | Patient Care | 12,000 |
| 8 | Dietary Freezer | Dietary | 1 | Patient Care | 8,000 |
| 9 | I-STAT Equipment | Laboratory | 1 | Patient Care | 56,000 |
| 10 | Clinic – Equipment | HIV | 1 | Patient Care | 75,000 |
| 11 | Nurse Call System | Nursing | 1 | Patient Care | 50,000 |
| 12 | Pulse Oximetry Equipment | Women's Health | 1 | Patient Care | 30,000 |
| 13 | Autoclave | OR | 1 | Patient Care | 78,000 |

| Item Number | Descriptions | Service | Priority | Category | 2011 |
|---|---|---|---|---|---|
| 14 | Bronchoscope | OR | 1 | Patient Care | 25,700 |
| 15 | Wall Mounted Thermometer/Dynamps | 8 West | 1 | Patient Care | 20,000 |
| 16 | Hoyer Lift | 8 West | 1 | Patient Care | 7,000 |
| 17 | ICU Monitors | ICU | 1 | Patient Care | 140,000 |
| 18 | ICU Entrance Video Monitoring | ICU | 1 | Patient Care | 30,000 |
| 19 | Monitoring Equipment | PSYCH | 1 | Patient Care | 20,000 |
| 20 | Unit Modification & Upgrade | PSYCH | 1 | Patient Care | 100,000 |
| 21 | Pharmacy 797 Code Compliance | PSYCH | 1 | Patient Care | 75,000 |
| 22 | Pill Packager Machine | RX | 1 | Patient Care | 12,000 |
| 23 | Bili Check Transcutaneous Noninvasive Bilirubin Equipment | Women's Health | 1 | Patient Care | 34,500 |
| 24 | Pander Bed Warmer | Nursery | 2 | Patient Care | 82,500 |
| 25 | Giraffe Omnibed | Women's Health | 2 | Patient Care | 169,500 |
| 26 | Universal Extractor | OR | 2 | Patient Care | 12,000 |
| 27 | Harmonic Scalpel | OR | 2 | Patient Care | 30,000 |
| 28 | Olympus Endoscopy System | OR | 2 | Patient Care | 62,700 |
| 29 | Transport Monitors with B/P | 8 East | 2 | Patient Care | 10,000 |
| 30 | Suction Gauges Dynamps | 8 East | 2 | Patient Care | 8,000 |
| 31 | Wheelchairs/Geri Chairs | 8 West | 2 | Patient Care | 4,000 |
| 32 | Vigilance Cardiac Output Measuring Equipment | ICU | 2 | Patient Care | 44,400 |
| 33 | I-STAT Equipment | ICU | 2 | Patient Care | 18,000 |
| 34 | Nanomaxx Sanosite | ICU | 2 | Patient Care | 34,000 |
| 35 | Lexicom Resource | RX | 2 | Patient Care | 9,400 |
| 36 | Roof Replacement | Facilities | 1 | Life Safety | 50,000 |
| 37 | Overhaul Chiller #1 | Facilities | 1 | Life Safety | 75,000 |
| 38 | Repair of ICU walls | Facilities | 1 | Life Safety | 200,000 |
| 39 | Electrical System Upgrade | Facilities | 1 | Life Safety | 60,000 |
| 40 | OR Air Handler Unit | Facilities | 1 | Life Safety | 200,000 |
| 41 | Deareator | Facilities | 1 | Life Safety | 250,000 |
| 42 | Fire Protection Penetration Patch | Facilities | 1 | Life Safety | 80,000 |
| 43 | Repair/Replace Fire Doors | Facilities | 1 | Life Safety | 50,000 |
| 44 | Phillips Heart Start MRX Defibrillator | ER | 1 | Life Safety | 50,000 |
| 45 | Phillips Patient Cardiac Monitoring System | ER | 1 | Life Safety | 250,000 |

| Item Number | Descriptions | Service | Priority | Category | 2011 |
|---|---|---|---|---|---|
| 46 | Management Monitoring Central Station Network | ER | 1 | Life Safety | 108,000 |
| 47 | Sure Sign Vital Sign Equipment | ER | 1 | Life Safety | 15,000 |
| 48 | Omni cell | 8 West | 1 | Life Safety | 15,000 |
| 49 | Med-Dispense Cabinets | RX - 5th Floor | 1 | Life Safety | 60,000 |
| 50 | Upgrade Med-Dispense Cabinets | RX - 4th Floor | 1 | Life Safety | 40,000 |
| 51 | Code Alarm Communication System | OR | 2 | Life Safety | 20,000 |
| 52 | Computer and Peripherals | Information Technology | 1 | IT | 175,000 |
| 53 | Empower/Meditech Interface | Information Technology | 1 | IT | 80,000 |
| 54 | Network and Infrastructure | Information Technology | 1 | IT | 100,000 |
| 55 | Public Address System | Information Technology | 2 | IT | 250,000 |
| 56 | Grounds and Landscaping | Facilities | 2 | Facilities | 150,000 |
| 57 | Upgrade Security Solution | PSYCH | 2 | Facilities | 60,000 |
| 58 | Contingency Reserve | | | Reserve | 567,300 |
| | **2011 Capital Budget** | | | | **$ 4,586,000** |
| | **Category Summary** | | | | |
| | Patient Care | | | | 1,680,700 |
| | Life Safety | | | | 1,523,000 |
| | Information Technology | | | | 605,000 |
| | Facilities | | | | 210,000 |
| | Reserve Fund | | | | 567,300 |
| | **2011 Capital Budget** | | | | **$ 4,586,000** |
| | **Priority Summary** | | | | |
| | Priority 1 | | | | $ 3,054,200 |
| | Priority 2 | | | | 964,500 |
| | Reserve Fund | | | | 567,300 |
| | **2011 Capital Budget** | | | | **$ 4,586,000** |

## Preamble to Financial Statements

The following Consolidated Balance Sheet, Consolidated Statement of Operations, Consolidated Statement of Cash Flows and related statistics present the United Medical Center actual for Calendar Years 2008 and 2009. Information for Fiscal Year 2010 is presented on a proforma basis and includes the monthly periods January 1, 2010 through December 31, 2010. Fiscal Year 2010 was projected using 8 months actual and 4 months forecast. The fiscal year for 2011 Budget is October 1, 2010 through September 30, 2011. For comparative purposes all of the years presented include full 12 month periods.

# United Medical Center
# Consolidated Balance Sheet

| ASSETS | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| **Ratios:** | | | | |
| Current ratio | 1.2 | 0.6 | 1.1 | 1.4 |
| Acid ratio | 0.0 | 0.0 | 0.2 | 0.5 |
| Days cash on hand | 1.4 | 3.1 | 14.2 | 30.2 |
| Days in account receivable | 69.1 | 60.5 | 47.9 | 40.6 |
| **Current Assets:** | | | | |
| Cash and equivalents | 317 | 741 | 3,181 | 8,069 |
| Accounts receivable | 15,252 | 13,612 | 11,257 | 11,831 |
| Restricted cash | - | 22 | 54 | - |
| Inventories | 1,212 | 977 | 1,050 | 1,729 |
| Other assets | 4,354 | 2,402 | 5,106 | 1,502 |
| **Total Current Assets** | **21,135** | **17,754** | **20,648** | **23,132** |
| **Long Term Assets:** | | | | |
| Property and equipment,net | 18,922 | 21,673 | 90,342 | 90,623 |
| Other non-current assets | - | - | - | - |
| **Total Long Term Assets** | **18,922** | **21,673** | **90,342** | 90,623 |
| **Total Assets** | **40,057** | **39,427** | **110,990** | **113,755** |
| **LIABILITIES AND NET ASSETS** | | | | |
| **Current Liabilities:** | | | | |
| Trade payables | 9,798 | 15,972 | 10,220 | 6,776 |
| Accrued liabilities | 5,720 | 10,681 | 8,700 | 6,864 |
| Current maturities | 1,337 | 1,808 | - | - |
| District contingency fund | - | | - | 3,000 |
| Net estimated third parties settlements | - | 2,495 | - | - |
| Other liabilities | 281 | 530 | - | - |
| **Total Current Liabilities** | **17,136** | **31,486** | **18,920** | **16,641** |
| **Long Term Liabilities:** | | | | |
| Deferred grant revenue | 25,190 | 25,849 | - | - |
| Other liabilities | 12,275 | 15,264 | - | - |
| Net estimated third parties settlements | 2,989 | - | 1,385 | 1,113 |
| Notes payable | 103 | 103 | - | - |
| **Total Long Term Liabilities** | **40,557** | **41,216** | **1,385** | **1,113** |
| **Net Assets:** | | | | |
| Restricted | - | | - | - |
| Unrestricted | (17,636) | (33,275) | 90,685 | 96,001 |
| **Net Assets** | **(17,636)** | **(33,275)** | **90,685** | **96,001** |
| **Total Liabilities and Net Assets** | **40,057** | **39,427** | **110,990** | **113,755** |

# United Medical Center
# Consolidated Statement of Operations

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| **Capacity and Utilization:** | | | | |
| Beds in service | 184 | 184 | 194 | 314 |
| Percent of capacity | 53% | 52% | 44% | 63% |
| Acute average patient stay | 5.5 | 5.6 | 5.6 | 5.1 |
| Total admissions | 6,452 | 6,157 | 5,462 | 7,064 |
| Acute admissions per day | 17.7 | 16.9 | 15.0 | 18.8 |
| Average daily census | 97 | 95 | 85 | 198 |
| Acute patient days | 35,449 | 34,781 | 30,855 | 35,305 |
| Emergency room visits | 35,382 | 39,759 | 42,564 | 42,893 |
| Full time equivalents | 705 | 704 | 678 | 782 |
| Acute FTEs per adjusted occupied bed | 4.2 | 4.2 | 3.7 | 3.7 |
| Operating margin | -11.3% | -11.4% | 8.2% | 8.2% |
| Total margin | -16.4% | -17.6% | 5.2% | 4.3% |
| **Revenues:** | | | | |
| Net patient service revenue | 80,556 | 82,164 | 85,749 | 106,352 |
| Disproportionate share receipts | 4,968 | 4,968 | 10,086 | 13,750 |
| Safety net care grant | - | - | 5,900 | - |
| Other revenue | 727 | 1,581 | 2,259 | 2,963 |
| **Total Revenue** | **86,251** | **88,713** | **103,994** | **123,065** |
| **Operating Expenses:** | | | | |
| Salaries and wages | 53,997 | 56,019 | 54,698 | 64,511 |
| Professional fees | 4,597 | 5,349 | 4,924 | 5,167 |
| Supplies and other | 8,486 | 9,025 | 7,867 | 8,419 |
| Bad debt expense | 10,715 | 12,869 | 13,827 | 15,551 |
| General expenses | 18,244 | 15,561 | 14,107 | 19,320 |
| **Total Operating Expenses** | **96,039** | **98,823** | **95,423** | **112,968** |
| **Operating Income** | **(9,788)** | **(10,110)** | **8,571** | **10,097** |
| **Capital Cost:** | | | | |
| Interest on indebtedness | 789 | 1,688 | 86 | 86 |
| Depreciation and amortization | 1,318 | 1,597 | 1,980 | 4,305 |
| Other expenses | 2,244 | 2,244 | 1,146 | 390 |
| **Total Capital Cost** | **4,351** | **5,529** | **3,212** | **4,781** |
| **Net Income (Loss)** | **(14,139)** | **(15,639)** | **5,360** | **5,316** |

# United Medical Center
# Consolidated Statement of Cash Flows

| | 2009 | 2010 | 2011 |
|---|---|---|---|
| **Cash flows from operations:** | | | |
| Receipts from operations | 79,615 | 83,518 | 109,443 |
| Receipts from District of Columbia | - | 5,900 | - |
| Paid to employees | (51,060) | (56,679) | (66,347) |
| Paid to suppliers | (27,507) | (40,009) | (36,590) |
| Net interest (paid) received | (1,555) | (86) | (86) |
| **Net cash provided (used) by operating activities** | **(507)** | **(7,355)** | **6,420** |
| **Cash flows from investing:** | | | |
| Payments for equipment | (4,348) | (70,649) | (4,586) |
| Changes in investments | (22) | (32) | 54 |
| Changes in restricted assets | | - | - |
| **Net cash used in investing activities** | **(4,370)** | **(70,681)** | **(4,532)** |
| **Cash flows from financing:** | | | |
| Proceeds (payments) - deferred grants | 1,632 | (38,124) | - |
| Additions (payments) - other long term liab | 3,669 | 118,600 | - |
| Additions (payments) - payor settlements | - | - | - |
| District Contingency Fund | - | - | 3,000 |
| Fair market value of assets acquired | - | - | - |
| Capital lease financing | - | - | - |
| **Net changes in financing activities** | **5,301** | **80,476** | **3,000** |
| **Net change in cash during period** | **424** | **2,440** | **4,888** |
| **Cash and equivalents - beginning period** | **317** | **741** | **3,181** |
| **Cash and equivalents - ending period** | **741** | **3,181** | **8,069** |

# United Medical Center
# Consolidating Statement of Operations

| | Hospital | OB | SNF | Total |
|---|---|---|---|---|
| **Capacity and Utilization:** | | | | |
| Beds in service | 155 | 39 | 120 | 314 |
| Acute average patient stay | 6.2 | 2.9 | 200.0 | 10.2 |
| Total admissions | 4,672 | 2,207 | 185 | 7,064 |
| Acute admissions per day | 12.8 | 6.0 | 0.5 | 19.4 |
| Average daily census | 79 | 18 | 102 | 198 |
| Patient days | 28,826 | 6,479 | 37,093 | 72,399 |
| Emergency room visits | 42,893 | - | - | 42,893 |
| Full time equivalents | 626 | 40 | 106 | 772 |
| Operating Margin | 10.2% | -1.9% | -3.4% | 8.2% |
| Total Margin | 6.1% | -1.9% | -8.2% | 4.3% |
| **Revenues:** | | | | |
| Net patient service revenue | 87,092 | 8,228 | 11,032 | 106,352 |
| Disproportionate share receipts | 13,750 | - | - | 13,750 |
| Safety net care grant | - | - | - | - |
| Other revenue | 2,909 | - | 54 | 2,963 |
| **Total Revenue** | **103,751** | **8,228** | **11,086** | **123,065** |
| **Operating Expenses:** | | | | |
| Salaries and wages | 53,085 | 4,649 | 6,777 | 64,511 |
| Professional fees | 2,874 | 2,293 | - | 5,167 |
| Supplies and other | 7,151 | 225 | 1,043 | 8,419 |
| Bad debt expense | 15,551 | - | - | 15,551 |
| General expenses | 14,462 | 1,219 | 3,639 | 19,320 |
| **Total Operating Expenses** | **93,122** | **8,386** | **11,459** | **112,968** |
| **Operating Income** | **10,629** | **(158)** | **(374)** | **10,097** |
| **Capital Cost:** | | | | |
| Interest on indebtedness | 86 | - | - | 86 |
| Depreciation and amortization | 4,165 | - | 140 | 4,305 |
| Other expenses | - | - | 390 | 390 |
| **Total Capital Cost** | **4,251** | **-** | **530** | **4,781** |
| **Net Income (Loss)** | **6,378** | **(158)** | **(904)** | **5,316** |

# United Medical Center
# Inpatient Volume

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| **Admissions** | | | | |
| Medical/Surgical | 5,283 | 4,941 | 3,828 | 4,065 |
| OBGYN | - | | 514 | 1,248 |
| Nursery | 444 | 401 | 418 | 959 |
| Psychiatry | 725 | 815 | 702 | 607 |
| **Total Acute Admissions** | **6,452** | **6,157** | **5,462** | **6,879** |
| | | | | |
| **Acute Patient Days by Service** | | | | |
| Medical/Surgical | 28,502 | 26,753 | 22,099 | 23,349 |
| OBGYN | - | - | 1,555 | 3,795 |
| Nursery | 1,385 | 1,128 | 1,172 | 2,684 |
| Psychiatry | 5,562 | 6,900 | 6,027 | 5,477 |
| **Total Acute Patient Days** | **35,449** | **34,781** | **30,853** | **35,305** |
| | | | | |
| **Acute ALOS by Service** | | | | |
| Medical/Surgical | 5.4 | 5.4 | 5.8 | 5.7 |
| OBGYN | - | - | 3.0 | 3.0 |
| Nursery | 3.1 | 2.8 | 2.8 | 2.8 |
| Psychiatry | 7.7 | 8.5 | 8.6 | 9.0 |
| **Total Acute ALOS** | **5.5** | **5.6** | **5.6** | **5.1** |
| | | | | |
| **Admissions by Payors** | | | | |
| Medicare | 1,772 | 1,768 | 1,615 | 1,501 |
| Medicaid | 1,339 | 1,919 | 1,612 | 2,497 |
| HMO Medicare/Medicaid | 818 | 1,145 | 1,138 | 1,615 |
| HMO/PPO | 1,060 | 967 | 722 | 830 |
| Commercial | 211 | 264 | 240 | 288 |
| Self Pay | 83 | 94 | 135 | 149 |
| **Total Admissions** | **5,283** | **6,157** | **5,462** | **6,879** |
| | | | | |
| **Patient Days by Payors** | | | | |
| Medicare | 13,471 | 11,506 | 10,419 | 10,165 |
| Medicaid | 10,368 | 12,278 | 10,624 | 10,675 |
| HMO Medicare/Medicaid | 4,277 | 4,334 | 4,091 | 7,861 |
| HMO/PPO | 4,876 | 4,840 | 3,474 | 4,191 |
| Commercial | 1,512 | 1,311 | 470 | 581 |
| Self Pay | 945 | 512 | 1,773 | 1,833 |
| **Total Patient Days** | **35,449** | **34,781** | **30,853** | **35,305** |
| | | | | |
| **ALOS by Payors** | | | | |
| Medicare | 7.6 | 6.5 | 6.5 | 6.8 |
| Medicaid | 7.7 | 6.4 | 6.6 | 4.3 |
| HMO Medicare/Medicaid | 5.2 | 3.8 | 3.6 | 4.9 |
| HMO/PPO | 4.6 | 5.0 | 4.8 | 5.1 |
| Commercial | 7.2 | 5.0 | 2.0 | 2.0 |
| Self Pay | 11.4 | 5.4 | 13.2 | 12.3 |
| **Total ALOS** | **6.7** | **5.6** | **5.6** | **5.1** |

# United Medical Center
# Inpatient Payor Mix

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| **Total Acute Admissions Payor Mix** | | | | |
| Medicare | 34% | 29% | 30% | 22% |
| Medicaid | 25% | 31% | 30% | 36% |
| HMO Medicare/Medicaid | 15% | 19% | 21% | 23% |
| HMO/PPO | 20% | 16% | 13% | 12% |
| Commercial | 4% | 4% | 4% | 4% |
| Self Pay | 2% | 2% | 2% | 2% |
| **Total Admissions** | 100% | 100% | 100% | 100% |
| **Total Acute Patient Days Payor Mix** | | | | |
| Medicare | 38% | 33% | 34% | 29% |
| Medicaid | 29% | 35% | 34% | 30% |
| HMO Medicare/Medicaid | 12% | 12% | 13% | 22% |
| HMO/PPO | 14% | 14% | 11% | 12% |
| Commercial | 4% | 4% | 2% | 2% |
| Self Pay | 3% | 1% | 6% | 5% |
| **Total Patient Days** | 100% | 100% | 100% | 100% |
| **Med/Surg Admissions Payor Mix** | | | | |
| Medicare | 33% | 37% | 33% | 33% |
| Medicaid | 29% | 29% | 26% | 26% |
| HMO Medicare/Medicaid | 15% | 12% | 18% | 18% |
| HMO/PPO | 19% | 16% | 15% | 15% |
| Commercial | 3% | 4% | 5% | 5% |
| Self Pay | 1% | 1% | 2% | 2% |
| **Total - Medical/Surgical Admissions** | 100% | 100% | 100% | 100% |
| **Med/Surg Patient Days Payor Mix** | | | | |
| Medicare | 40% | 37% | 38% | 38% |
| Medicaid | 29% | 29% | 28% | 28% |
| HMO Medicare/Medicaid | 10% | 12% | 13% | 13% |
| HMO/PPO | 19% | 16% | 13% | 13% |
| Commercial | 1% | 4% | 7% | 7% |
| Self Pay | 1% | 1% | 1% | 1% |
| **Total - Medical/Surgical Patient Days** | 100% | 100% | 100% | 100% |
| **Psychiatry Admissions Payor Mix** | | | | |
| Medicare | 24% | 23% | 25% | 25% |
| Medicaid | 61% | 60% | 60% | 60% |
| HMO Medicare/Medicaid | 4% | 9% | 8% | 8% |
| HMO/PPO | 1% | 3% | 4% | 4% |
| Commercial | 6% | 3% | 1% | 1% |
| Self Pay | 3% | 3% | 3% | 3% |
| **Total - Psychiatry Admissions** | 100% | 100% | 100% | 100% |
| **Psychiatry Patient Days Payor Mix** | | | | |
| Medicare | 27% | 26% | 25% | 25% |
| Medicaid | 57% | 58% | 64% | 64% |
| HMO Medicare/Medicaid | 7% | 6% | 5% | 5% |
| HMO/PPO | 3% | 5% | 3% | 3% |
| Commercial | 5% | 4% | 1% | 1% |
| Self Pay | 2% | 2% | 2% | 2% |
| **Total - Psychiatry Patient Days** | 100% | 100% | 100% | 100% |

# United Medical Center
# Outpatient Payor Mix

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| **Outpatient Statistics** | | | | |
| Emergency room | 35,382 | 39,759 | 42,564 | 42,893 |
| Clinics visits | 46,153 | 55,611 | 54,787 | 62,979 |
| Radiology visits | - | - | - | - |
| Day surgery | 864 | 740 | 792 | 871 |
| **Total Outpatient Visits** | **82,399** | **96,110** | **98,143** | **106,743** |
| | | | | |
| **Emergency Room Payor Mix** | | | | |
| Medicare | 12% | 11% | 11% | 11% |
| Medicaid | 17% | 16% | 17% | 17% |
| HMO Medicare/Medicaid | 24% | 25% | 26% | 25% |
| HMO/PPO | 23% | 24% | 21% | 23% |
| Self Pay | 18% | 18% | 19% | 18% |
| Commercial | 6% | 6% | 6% | 5% |
| **Total Emergency Room** | **100%** | **100%** | **100%** | **100%** |
| | | | | |
| **OB/GYN Payor Mix - Admissions** | | | | |
| Medicare | 0% | 0% | 0% | 0% |
| Medicaid | 6% | 6% | 10% | 17% |
| HMO Medicare/Medicaid | 78% | 72% | 71% | 65% |
| HMO/PPO | 10% | 14% | 13% | 12% |
| Commercial | 6% | 6% | 5% | 5% |
| Self Pay | 0% | 2% | 1% | 0% |
| **Total OB/GYN** | **100%** | **100%** | **100%** | **100%** |
| | | | | |
| **Referred Outpatient Payor Mix** | | | | |
| Medicare | 10% | 9% | 8% | 7% |
| Medicaid | 12% | 13% | 11% | 13% |
| HMO Medicare/Medicaid | 55% | 53% | 52% | 50% |
| HMO/PPO | 20% | 24% | 26% | 27% |
| Commercial | 3% | 1% | 3% | 3% |
| Self Pay | 0% | 0% | 0% | 0% |
| **Total Referred Outpatient** | **100%** | **100%** | **100%** | **100%** |
| | | | | |
| **SNF Payor Mix - Patient Days** | | | | |
| Medicare | 0% | 0% | 0% | 8% |
| Medicaid | 0% | 0% | 0% | 92% |
| HMO Medicare/Medicaid | 0% | 0% | 0% | 0% |
| HMO/PPO | 0% | 0% | 0% | 0% |
| Commercial | 0% | 0% | 0% | 0% |
| Self Pay | 0% | 0% | 0% | 0% |
| **Toal SNF** | **0%** | **0%** | **0%** | **100%** |
| | | | | |
| **Other Statistics** | | | | |
| Admissions per day | 17.7 | 16.9 | 15.0 | 18.8 |
| Emergency room visits per day | 96.9 | 108.9 | 116.6 | 117.5 |
| Day Surgery per day | 2.4 | 2.0 | 2.2 | 2.4 |
| Medicare case mix index | 1.25 | 1.25 | 1.49 | 1.55 |
| Medicaid case mix index | 1.23 | 1.26 | 1.21 | 0.94 |
| Gross inpatient revenue per admission | $ 21,806 | $ 22,974 | $ 23,740 | $29,822 |

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|---|---|
| J.9 | UMC Financial Statements November 30, 2010 |

UMC

UNITED
MEDICAL CENTER

Not-For-Profit Hospital Corporation

# Financial Statements

November 30, 2010

**UNITED MEDICAL CENTER**
**FINANCIAL STATEMENTS**

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## United Medical Center

Consolidated Statement of Operations
For the two month period ending November 30, 2010

*Dollars in Thousands*

| Month of November | | | | Year-To-Date | | |
|---|---|---|---|---|---|---|
| Actual | Budget | FY 10 | | Actual | Budget | FY 10 |
| | | | **Statistics:** | | | |
| 457 | 461 | 524 | Admissions | 971 | 1,010 | 1,057 |
| 4,407 | 5,029 | 2,912 | Patient Days | 8,755 | 9,928 | 5,757 |
| 9.6 | 10.9 | 5.6 | Average patient stay | 9.0 | 9.8 | 5.4 |
| 3,398 | 3,303 | 3,234 | ER visits | 6,826 | 6,601 | 7,065 |
| 724 | 777 | 700 | Full Time Equivalents | 723 | 763 | 698 |
| 4.0 | 4.0 | 3.8 | FTE per Adjusted Occupied Bed: | 4.1 | 4.0 | 3.9 |
| | | | **Revenues:** | | | |
| $ 10,631 | $ 11,612 | $ 11,714 | Inpatient Revenue | $ 21,362 | $ 23,530 | $ 22,742 |
| 11,883 | 11,795 | 10,238 | Outpatient Revenue | 22,786 | 23,636 | 19,959 |
| 22,514 | 23,407 | 21,952 | Total Gross Patient Revenues | 44,148 | 47,166 | 42,701 |
| | | | Deductions from Revenues: | | | |
| 15,832 | 14,899 | 13,529 | Contractual discounts | 29,204 | 30,141 | 26,986 |
| (1,533) | (1,146) | (408) | Disproportinate share revenues | (2,667) | (2,292) | (816) |
| - | - | - | Free care | 1 | - | - |
| - | - | - | Courtesy discounts & other | - | - | 41 |
| 14,299 | 13,753 | 13,121 | Total Deductions from Revenues | 26,538 | 27,849 | 26,211 |
| 8,215 | 9,654 | 8,831 | Net patient services revenue | 17,610 | 19,317 | 16,490 |
| 437 | 200 | - | CNMC revenues | 437 | 400 | - |
| 48 | 47 | 183 | Other revenues | 187 | 94 | 501 |
| 8,700 | 9,901 | 9,014 | Total Operating Revenues | 18,234 | 19,811 | 16,991 |
| | | | **Operating expenses:** | | | |
| 3,698 | 4,263 | 3,690 | Salaries and wages | 7,734 | 8,455 | 7,333 |
| 773 | 967 | 790 | Employee benefits | 1,632 | 1,918 | 1,577 |
| 246 | 140 | 188 | Contract labor | 370 | 286 | 398 |
| 650 | 666 | 867 | Medical Supplies | 1,384 | 1,345 | 1,419 |
| 484 | 423 | 496 | Professional Fees | 931 | 858 | 843 |
| 537 | 596 | 697 | Purchased services | 1,314 | 1,189 | 1,370 |
| 1,025 | 1,279 | 1,188 | Provision for bad debt | 1,958 | 2,574 | 1,998 |
| 612 | 913 | 774 | Other expenses | 1,352 | 1,843 | 1,426 |
| 8,025 | 9,247 | 8,690 | Total Operating Expenses | 16,675 | 18,468 | 16,364 |
| 675 | 654 | 324 | Net Income (Loss) from Operations | 1,559 | 1,343 | 627 |
| | | | **Nonoperating (Income)/Expense:** | | | |
| - | - | - | Investment income | (1) | - | - |
| 8 | 7 | 6 | Interest expense | 14 | 14 | 97 |
| 400 | 359 | 165 | Depreciation and Amortization | 811 | 718 | 330 |
| - | 33 | 184 | Other | 32 | 65 | 368 |
| 408 | 399 | 355 | Total Nonoperating (Inc)/Exp | 856 | 797 | 795 |
| **$ 267** | **$ 255** | **$ (31)** | **Net Income (Loss)** | **$ 703** | **$ 546** | **$ (168)** |

## United Medical Center

Balance Sheets
November 30, 2010

| Nov-10 | Oct-10 | MTD Change | | -Unaudited- Sep-10 | *Dollars in Thousands* YTD Change |
|---|---|---|---|---|---|
| | | | **Current assets:** | | |
| $ 3,832 | $ 5,600 | $ (1,768) | Cash and equivalents | $ 2,911 | $ 921 |
| 16,259 | 14,338 | 1,921 | Net accounts receivables | 14,382 | 1,877 |
| 2,027 | 2,273 | (246) | Due from SHW | 2,527 | (500) |
| 1,151 | 1,139 | 12 | Inventories | 1,107 | 44 |
| 1,929 | 962 | 967 | Prepaid and other assets | 977 | 952 |
| 25,198 | 24,312 | 886 | Total current assets | 21,904 | 3,294 |
| | | | **Long term assets:** | | |
| 2,679 | 1,146 | 1,533 | Estimated third-party payor settlements | 12 | 2,667 |
| 70,796 | 71,071 | (275) | Capital assets | 71,487 | (691) |
| 73,475 | 72,217 | 1,258 | Total long-term assets | 71,499 | 1,976 |
| $ 98,673 | $ 96,529 | $ 2,144 | Total assets | $ 93,403 | $ 5,270 |
| | | | **Current liabilities:** | | |
| $ 468 | $ 509 | $ (41) | Current portion, notes payable | $ 504 | $ (36) |
| 56 | 64 | (8) | Current portion, capital lease obligation | 72 | (16) |
| 10,326 | 9,196 | 1,130 | Trade payables | 8,606 | 1,720 |
| 10,120 | 9,470 | 650 | Accrued salaries and benefits | 10,273 | (153) |
| 3,463 | 3,382 | 81 | Other liabilities | 4,984 | (1,521) |
| 24,433 | 22,621 | 1,812 | Total current liabilities | 24,439 | (6) |
| | | | **Long term liabilities:** | | |
| - | - | - | Notes payable | 42 | (42) |
| - | - | - | Capital lease obligations | - | - |
| 5,699 | 5,699 | - | Due to affiliate | 1,353 | 4,346 |
| 1,874 | 1,874 | - | Contingent & other liabilities | 1,874 | - |
| 7,573 | 7,573 | - | Total long term liabilities | 3,269 | 4,304 |
| | | | **Net Assets** | | |
| 66,667 | 66,335 | 332 | Unrestricted | 65,695 | 972 |
| 66,667 | 66,335 | 332 | Total net assets | 65,695 | 972 |
| $ 98,673 | $ 96,529 | $ 2,144 | Total liabilities and net assets | $ 93,403 | $ 5,270 |

## United Medical Center

Combining Statement of Operations
Fiscal Year 2011

*Dollars in Thousands*

| | Month of November | | | | Year - To - Date | | | |
|---|---|---|---|---|---|---|---|---|
| | Hospital | SNF | Elim | Total | Hospital | SNF | Elim | Total |
| **Revenues:** | | | | | | | | |
| Inpatient Revenue | $ 10,019 | $ 612 | $ - | $ 10,631 | $ 19,847 | $ 1,515 | $ - | $ 21,362 |
| Outpatient Revenue | 11,883 | - | - | 11,883 | 22,786 | - | - | 22,786 |
| Total Gross Patient Revenues | 21,902 | 612 | - | 22,514 | 42,633 | 1,515 | - | 44,148 |
| Deductions from Revenues: | | | | | | | | |
| Contractual discounts | 15,832 | - | - | 15,832 | 28,812 | 392 | - | 29,204 |
| Disproportinate share revenues | (1,533) | - | - | (1,533) | (2,667) | - | - | (2,667) |
| Free care | - | - | - | - | 1 | - | - | 1 |
| Courtesy discounts & other | - | - | - | - | - | - | - | - |
| Total Deductions from Revenues | 14,299 | - | - | 14,299 | 26,146 | 392 | - | 26,538 |
| Net patient services revenue | 7,603 | 612 | - | 8,215 | 16,487 | 1,123 | - | 17,610 |
| CNMC revenues | 437 | - | - | 437 | 437 | - | - | 437 |
| SHW revenues | 786 | - | (786) | - | 786 | - | (786) | - |
| Other revenues | 43 | 5 | - | 48 | 178 | 9 | - | 187 |
| Total Operating Revenues | 8,869 | 617 | (786) | 8,700 | 17,888 | 1,132 | (786) | 18,234 |
| **Operating expenses:** | | | | | | | | |
| Salaries and wages | 3,698 | 371 | (371) | 3,698 | 7,392 | 713 | (371) | 7,734 |
| Employee benefits | 773 | 86 | (86) | 773 | 1,554 | 164 | (86) | 1,632 |
| Contract labor | 246 | - | - | 246 | 370 | - | - | 370 |
| Medical Supplies | 649 | 61 | (60) | 650 | 1,329 | 115 | (60) | 1,384 |
| Professional Fees | 484 | - | - | 484 | 931 | - | - | 931 |
| Purchased services | 537 | 165 | (165) | 537 | 1,167 | 312 | (165) | 1,314 |
| Provision for bad debt | 1,025 | - | - | 1,025 | 1,958 | - | - | 1,958 |
| Other expenses | 612 | 59 | (59) | 612 | 1,294 | 117 | (59) | 1,352 |
| Total Operating Expenses | 8,024 | 742 | (741) | 8,025 | 15,995 | 1,421 | (741) | 16,675 |
| Net Income (Loss) from Operations | 845 | (125) | (45) | 675 | 1,893 | (289) | (45) | 1,559 |
| **Nonoperating (Income)/Expense:** | | | | | | | | |
| Investment income | - | - | - | - | (1) | - | - | (1) |
| Interest expense | 8 | - | - | 8 | 14 | - | - | 14 |
| Depreciation and Amortization | 400 | 12 | (12) | 400 | 800 | 23 | (12) | 811 |
| Other | - | 33 | (33) | - | - | 65 | (33) | 32 |
| Total Nonoperating (Inc)/Exp | 408 | 45 | (45) | 408 | 813 | 88 | (45) | 856 |
| **Net Income (Loss)** | **$ 437** | **$ (170)** | **$ -** | **$ 267** | **$ 1,080** | **$ (377)** | **$ -** | **$ 703** |

## United Medical Center

Combining Balance Sheets

Fiscal Year 2011

*Dollars in Thousands*

| | Hospital | SNF | Elim | Total |
|---|---|---|---|---|
| **Current assets:** | | | | |
| Cash and equivalents | $ 3,832 | $ - | $ - | $ 3,832 |
| Net accounts receivables | 15,137 | 1,122 | - | 16,259 |
| Due from SHW | 2,027 | - | - | 2,027 |
| Due from SNF | 786 | - | (786) | - |
| Inventories | 1,151 | - | - | 1,151 |
| Prepaid and other assets | 1,924 | 5 | - | 1,929 |
| Total current assets | 24,857 | 1,127 | (786) | 25,198 |
| **Long term assets:** | | | | |
| Estimated third-party payor settlements | 2,679 | - | - | 2,679 |
| Capital assets | 70,796 | - | - | 70,796 |
| Total long-term assets | 73,475 | - | - | 73,475 |
| Total assets | $ 98,332 | $ 1,127 | $ (786) | $ 98,673 |
| **Current liabilities:** | | | | |
| Current portion, notes payable | $ 468 | $ - | $ - | $ 468 |
| Current portion, capital lease obligation | 56 | - | - | 56 |
| Trade payables | 10,028 | 298 | - | 10,326 |
| Accrued salaries and benefits | 9,699 | 421 | - | 10,120 |
| Due to UMC | - | 786 | (786) | - |
| Other liabilities | 3,463 | - | - | 3,463 |
| Total current liabilities | 23,714 | 1,505 | (786) | 24,433 |
| **Long term liabilities:** | | | | |
| Capital lease obligations | - | - | - | - |
| Due to affiliate | 5,699 | - | - | 5,699 |
| Contingent & other liabilities | 1,874 | - | - | 1,874 |
| Total long term liabilities | 7,573 | - | - | 7,573 |
| **Net Assets** | | | | |
| Unrestricted | 67,045 | (378) | - | 66,667 |
| Total net assets | 67,045 | (378) | - | 66,667 |
| Total liabilities and net assets | $ 98,332 | $ 1,127 | $ (786) | $ 98,673 |

## United Medical Center

Consolidated Statement of Cash Flows

For the two month period ending November 30, 2010

*Dollars in Thousands*

| | MTD | YTD |
|---|---|---|
| **Cash flows from operating activities** | | |
| Receipts from and on behalf of patients | $ 3,738 | $ 11,108 |
| Payments to suppliers and contractors | (1,802) | (5,487) |
| Payments to employees and fringe benefits | (3,815) | (9,514) |
| Other receipts and payments, net | 284 | 674 |
| Net cash used in operating activities | (1,595) | (3,219) |
| **Cash flows from investing activities** | | |
| Change in capital assets | (124) | (120) |
| Net cash used in investing activities | (124) | (120) |
| **Cash flows from financing activities** | | |
| Payments on notes payable | (41) | (78) |
| Payments on capital lease obligations | (8) | (8) |
| Increase in due to affiliate | 0 | 4,346 |
| Net cash provided by financing activities | (49) | 4,260 |
| Net increase (decrease) in cash and cash equivalent | (1,768) | 921 |
| Cash and cash equivalents, beginning of period | 5,600 | 2,911 |
| **Cash and cash equivalents** | **$ 3,832** | **$ 3,832** |

## United Medical Center

Inpatient Statistics

For the two month period ending November 30, 2010

| Month of November | | | | | Year-To-Date | | | |
|---|---|---|---|---|---|---|---|---|
| Actual | Budget | FY 10 | Growth % | | Actual | Budget | FY 10 | Growth % |
| | | | | **Admissions** | | | | |
| 254 | 263 | 373 | -32% | Medical/Surgical | 517 | 567 | 760 | -32% |
| 64 | 50 | 72 | -11% | Psychiatry | 145 | 101 | 131 | 11% |
| 33 | 34 | 25 | 32% | Intensive Care Unit | 59 | 69 | 53 | 11% |
| 42 | 49 | 24 | 75% | Nursery | 80 | 93 | 51 | 57% |
| 47 | 50 | 30 | 57% | OB/GYN | 87 | 99 | 62 | 40% |
| 440 | 446 | 524 | -16% | Total acute | 888 | 930 | 1,057 | -16% |
| 17 | 15 | - | 0% | Sub-acute | 83 | 80 | - | 0% |
| 457 | 461 | 524 | -13% | Total Admissions | 971 | 1,010 | 1,057 | -8% |
| | | | | **Patient days** | | | | |
| 1,349 | 1,472 | 1,886 | -28% | Medical/Surgical | 2,860 | 3,000 | 3,841 | -26% |
| 662 | 646 | 613 | 8% | Psychiatry | 1,232 | 1,307 | 1,010 | 22% |
| 219 | 230 | 221 | -1% | Intensive Care Unit | 427 | 468 | 519 | -18% |
| 118 | 217 | 84 | 40% | Nursery | 222 | 442 | 170 | 31% |
| 128 | 303 | 108 | 19% | OB/GYN | 243 | 627 | 217 | 12% |
| 2,476 | 2,869 | 2,912 | -15% | Total acute | 4,984 | 5,845 | 5,757 | -13% |
| 1,931 | 2,160 | - | 0% | Sub-acute | 3,771 | 4,083 | - | 0% |
| 4,407 | 5,029 | 2,912 | 51% | Total Patient Days | 8,755 | 9,928 | 5,757 | 52% |
| | | | | **Average patient stay (days)** | | | | |
| 5.3 | 5.6 | 5.1 | 5% | Medical/Surgical | 5.5 | 5.3 | 5.1 | 9% |
| 10.3 | 13.0 | 8.5 | 21% | Psychiatry | 8.5 | 12.9 | 7.7 | 10% |
| 6.6 | 6.8 | 8.8 | -25% | Intensive Care Unit | 7.2 | 6.8 | 9.8 | -26% |
| 2.8 | 4.5 | 3.5 | -20% | Nursery | 2.8 | 4.7 | 3.3 | -17% |
| 2.7 | 6.1 | 3.6 | -24% | OB/GYN | 2.8 | 6.3 | 3.5 | -20% |
| 5.6 | 6.4 | 5.6 | 1% | Average acute | 5.6 | 6.3 | 5.4 | 3% |
| 113.6 | 144.0 | - | 0% | Sub-acute | 45.4 | 50.7 | - | 0% |
| 9.6 | 10.9 | 5.6 | 74% | Average Patient Stay | 9.0 | 9.8 | 5.4 | 66% |
| | | | | **Per day analysis** | | | | |
| 15.2 | 15.4 | 17.5 | -13% | Admissions | 15.9 | 16.6 | 17.3 | -8% |
| 82.5 | 95.6 | 97.1 | -15% | Average daily census (acute) | 81.7 | 95.8 | 94.4 | -13% |
| 64.4 | 72.0 | - | 0% | Average daily census (sub-acute) | 61.8 | 66.9 | - | 0% |
| | | | | **Case Mix Index (CMI)** | | | | |
| 1.0000 | 1.1500 | 1.1500 | -13% | Hospital | 1.0850 | 1.1500 | 1.1350 | -4% |
| 1.3273 | 1.5500 | 1.4500 | -8% | Medicare | 1.4464 | 1.5500 | 1.3650 | 6% |
| 1.0972 | 1.1000 | 1.1800 | -7% | Medicaid | 1.2282 | 1.1000 | 1.1650 | 5% |

## United Medical Center

Outpatient Statistics

For the two month period ending November 30, 2010

| Month of November | | | | | Year-To-Date | | | |
|---|---|---|---|---|---|---|---|---|
| Actual | Budget | FY 10 | Growth % | | Actual | Budget | FY 10 | Growth % |
| | | | | **Visits** | | | | |
| 3,398 | 3,303 | 3,234 | 5% | Emergency services | 6,826 | 6,601 | 7,065 | -3% |
| 545 | 584 | 573 | -5% | Radiology | 1,147 | 1,197 | 1,174 | -2% |
| 656 | 599 | 587 | 12% | Clinics | 1,301 | 1,288 | 1,263 | 3% |
| 245 | 221 | 217 | 13% | Laboratory | 519 | 473 | 464 | 12% |
| 122 | 79 | 102 | 20% | In & Out Surgery | 225 | 156 | 219 | 3% |
| 4,966 | 4,787 | 4,713 | 5% | Total | 10,018 | 9,716 | 10,185 | -2% |
| | | | | **Emergency visits** | | | | |
| 361 | 396 | 403 | -10% | ED patients-admitted as IP | 701 | 792 | 812 | -14% |
| 3,037 | 2,907 | 2,831 | 7% | ED patients-other | 6,125 | 5,809 | 6,253 | -2% |
| 3,398 | 3,303 | 3,234 | 5% | Total | 6,826 | 6,601 | 7,065 | -3% |
| | | | | **Clinic visits** | | | | |
| 461 | 436 | 427 | 8% | Primary Care | 924 | 1,014 | 994 | -7% |
| 153 | 119 | 117 | 31% | Wound Care | 298 | 194 | 190 | 57% |
| 12 | 9 | 9 | 33% | Pulmonary | 21 | 19 | 19 | 11% |
| 30 | 35 | 34 | -12% | Rehab | 58 | 61 | 60 | -3% |
| 656 | 599 | 587 | 12% | Total | 1,301 | 1,288 | 1,263 | 3% |
| | | | | **Radiology Procedures** | | | | |
| 66 | 67 | 66 | 0% | MRI | 118 | 124 | 122 | -3% |
| 745 | 657 | 644 | 16% | CT | 1,456 | 1,357 | 1,330 | 9% |
| 2,681 | 2,792 | 2,737 | -2% | Other | 5,293 | 5,836 | 5,722 | -7% |
| 3,492 | 3,516 | 3,447 | 1% | Total | 6,867 | 7,317 | 7,174 | -4% |
| | | | | **Surgical procedures** | | | | |
| 53 | 79 | 55 | -4% | Surgery procedures | 98 | 156 | 117 | -16% |
| 88 | 75 | 74 | 19% | GI procedures | 160 | 168 | 165 | -3% |
| 141 | 154 | 129 | 9% | Total | 258 | 324 | 282 | -9% |
| | | | | **Visits per day** | | | | |
| 113.3 | 110.1 | 107.8 | 5% | Emergency services | 111.9 | 108.2 | 115.8 | -3% |
| 18.2 | 19.5 | 19.1 | -5% | Radiology | 18.8 | 19.6 | 19.2 | -2% |
| 21.9 | 20.0 | 19.6 | 12% | Clinics | 21.3 | 21.1 | 20.7 | 3% |
| 8.2 | 7.4 | 7.2 | 13% | Laboratory | 8.5 | 7.8 | 7.6 | 12% |
| 4.1 | 2.6 | 3.4 | 20% | In & Out Surgery | 3.7 | 2.6 | 3.6 | 3% |

## United Medical Center

Payor Mixtures

For the two month period ending November 30, 2010

| Month of November | | | | | Year-To-Date | | | |
|---|---|---|---|---|---|---|---|---|
| Actual | Budget | FY 10 | Growth % | | Actual | Budget | FY 10 | Growth % |
| | | | | **Admissions** | | | | |
| 118 | 73 | 174 | -32% | Medicare | 243 | 200 | 322 | -25% |
| 149 | 203 | 159 | -6% | Medicaid | 367 | 431 | 340 | 8% |
| 141 | 83 | 91 | 55% | HMO Care/Cald | 257 | 172 | 173 | 49% |
| 23 | 68 | 74 | -69% | HMO/PPO | 43 | 139 | 173 | -75% |
| 13 | 14 | 22 | -41% | Commercial/Other | 36 | 29 | 41 | -12% |
| 13 | 19 | 4 | 225% | Self Pay | 25 | 40 | 8 | 213% |
| 457 | 461 | 524 | -13% | Total Admissions-Acute | 971 | 1,011 | 1,057 | -8% |
| | | | | **Patient Days** | | | | |
| 984 | 720 | 1,048 | -6% | Medicare | 1,792 | 1,463 | 1,845 | -3% |
| 2,692 | 3,376 | 1,024 | 163% | Medicaid | 5,553 | 6,557 | 2,047 | 171% |
| 526 | 465 | 343 | 53% | HMO Care/Caid | 996 | 953 | 1,070 | -7% |
| 80 | 291 | 338 | -76% | HMO/PPO | 129 | 595 | 525 | -75% |
| 69 | 37 | 126 | -45% | Commercial/Other | 167 | 75 | 187 | -11% |
| 56 | 140 | 33 | 70% | Self Pay | 118 | 285 | 83 | 42% |
| 4,407 | 5,029 | 2,912 | 51% | Total Patient Days | 8,755 | 9,928 | 5,757 | 52% |
| | | | | **Emergency Visits** | | | | |
| 451 | 396 | 360 | 25% | Medicare | 889 | 770 | 737 | 21% |
| 636 | 624 | 515 | 23% | Medicaid | 1,333 | 1,086 | 1,131 | 18% |
| 1,373 | 961 | 1,301 | 6% | HMO Care/Caid | 2,684 | 1,813 | 2,928 | -8% |
| 258 | 872 | 248 | 4% | HMO/PPO | 514 | 1,748 | 544 | -6% |
| 162 | 187 | 177 | -8% | Commercial/Other | 337 | 341 | 400 | -16% |
| 518 | 263 | 633 | -18% | Self Pay | 1,069 | 843 | 1,325 | -19% |
| 3,398 | 3,303 | 3,234 | 5% | Total Emergency Visits | 6,826 | 6,601 | 7,065 | -3% |
| | | | | **Admissions %** | | | | |
| 25.8% | 15.8% | 33.2% | -22% | Medicare | 25.0% | 19.8% | 30.5% | -18% |
| 32.6% | 44.1% | 30.3% | 7% | Medicaid | 37.8% | 42.6% | 32.2% | 18% |
| 30.9% | 18.0% | 17.4% | 78% | HMO Care/Caid | 26.5% | 17.0% | 16.4% | 62% |
| 5.0% | 14.8% | 14.1% | -64% | HMO/PPO | 4.4% | 13.8% | 16.4% | -73% |
| 2.8% | 3.1% | 4.2% | -32% | Commercial/Other | 3.7% | 2.9% | 3.9% | -4% |
| 2.8% | 4.2% | 0.8% | 273% | Self Pay | 2.6% | 4.0% | 0.8% | 240% |
| 100.0% | 100.0% | 100.0% | 0% | Total Admissions-Acute | 100.0% | 100.0% | 100.0% | 0% |
| | | | | **Patient Days %** | | | | |
| 22.3% | 14.3% | 36.0% | -38% | Medicare | 20.5% | 14.7% | 32.0% | -36% |
| 61.1% | 67.1% | 35.2% | 74% | Medicaid | 63.4% | 66.0% | 35.6% | 78% |
| 11.9% | 9.3% | 11.8% | 1% | HMO Care/Caid | 11.4% | 9.6% | 18.6% | -39% |
| 1.8% | 5.8% | 11.6% | -84% | HMO/PPO | 1.5% | 6.0% | 9.1% | -84% |
| 1.6% | 0.7% | 4.3% | -64% | Commercial/Other | 1.9% | 0.8% | 3.2% | -41% |
| 1.3% | 2.8% | 1.1% | 12% | Self Pay | 1.3% | 2.9% | 1.4% | -7% |
| 100.0% | 100.0% | 100.0% | 0% | Total Patient Days | 100.0% | 100.0% | 100.0% | 0% |
| | | | | **Emergency Visits %** | | | | |
| 13.3% | 12.0% | 11.1% | 19% | Medicare | 13.0% | 11.7% | 10.4% | 25% |
| 18.7% | 18.9% | 15.9% | 18% | Medicaid | 19.5% | 16.5% | 16.0% | 22% |
| 40.4% | 29.1% | 40.2% | 0% | HMO Care/Caid | 39.3% | 27.5% | 41.4% | -5% |
| 7.6% | 26.4% | 7.7% | -1% | HMO/PPO | 7.5% | 26.5% | 7.7% | -2% |
| 4.8% | 5.7% | 5.5% | -13% | Commercial/Other | 4.9% | 5.2% | 5.7% | -13% |
| 15.2% | 8.0% | 19.6% | -22% | Self Pay | 15.7% | 12.8% | 18.8% | -16% |
| 100.0% | 100.0% | 100.0% | 0% | Total Emergency Visits | 100.0% | 100.0% | 100.0% | 0% |

## United Medical Center

Revenue Stream (Hospital only)

For the two month period ending November 30, 2010

*Dollars in Thousands*

| Month of November | | | | | Year-To-Date | | | |
|---|---|---|---|---|---|---|---|---|
| Actual | Budget | FY 10 | Growth % | | Actual | Budget | FY 10 | Growth % |
| | | | | **Inpatient revenues** | | | | |
| 3,954 | 4,623 | 5,212 | -24% | Medicare | 8,489 | 9,368 | 10,172 | -17% |
| 3,939 | 3,515 | 4,258 | -7% | Medicaid | 6,974 | 7,122 | 8,029 | -13% |
| 2,148 | 2,280 | 2,492 | -14% | HMO Care/Caid | 4,360 | 4,620 | 4,938 | -12% |
| 501 | 896 | 579 | -13% | HMO/PPO | 750 | 1,815 | 1,540 | -51% |
| 428 | 234 | 561 | -24% | Commercial/Other | 838 | 474 | 812 | 3% |
| 308 | 65 | 40 | 670% | Self Pay | 840 | 132 | 110 | 664% |
| 11,278 | 11,613 | 13,142 | -14% | Total | 22,251 | 23,531 | 25,601 | -13% |
| | | | | **Summary** | | | | |
| 10,041 | 10,418 | 11,962 | -16% | Public | 19,823 | 21,110 | 23,139 | -14% |
| 1,237 | 1,195 | 1,180 | 5% | Private | 2,428 | 2,421 | 2,462 | -1% |
| 11,278 | 11,613 | 13,142 | -14% | Total | 22,251 | 23,531 | 25,601 | -13% |
| | | | | **Outpatient revenues** | | | | |
| 2,095 | 2,087 | 1,254 | 67% | Medicare | 3,930 | 4,182 | 2,582 | 52% |
| 2,204 | 2,070 | 1,288 | 71% | Medicaid | 4,179 | 4,147 | 2,605 | 60% |
| 3,908 | 3,445 | 3,371 | 16% | HMO Care/Caid | 7,503 | 6,908 | 6,834 | 10% |
| 708 | 890 | 662 | 7% | HMO/PPO | 1,403 | 1,782 | 1,228 | 14% |
| 501 | 1,269 | 697 | -28% | Commercial/Other | 986 | 2,541 | 1,505 | -34% |
| 1,208 | 2,034 | 1,536 | -21% | Self Pay | 2,383 | 4,075 | 2,830 | -16% |
| 10,624 | 11,795 | 8,808 | 21% | Total | 20,384 | 23,635 | 17,584 | 16% |
| | | | | **Summary** | | | | |
| 8,207 | 7,602 | 5,913 | 39% | Public | 15,612 | 15,237 | 12,021 | 30% |
| 2,417 | 4,193 | 2,895 | -17% | Private | 4,772 | 8,398 | 5,563 | -14% |
| 10,624 | 11,795 | 8,808 | 21% | Total | 20,384 | 23,635 | 17,584 | 16% |
| | | | | **Total revenues** | | | | |
| 6,049 | 6,710 | 6,466 | -6% | Medicare | 12,419 | 13,550 | 12,754 | -3% |
| 6,143 | 5,585 | 5,546 | 11% | Medicaid | 11,153 | 11,269 | 10,634 | 5% |
| 6,056 | 5,725 | 5,863 | 3% | HMO Care/Caid | 11,863 | 11,528 | 11,772 | 1% |
| 1,209 | 1,786 | 1,241 | -3% | HMO/PPO | 2,153 | 3,597 | 2,768 | -22% |
| 929 | 1,503 | 1,258 | -26% | Commercial/Other | 1,824 | 3,015 | 2,317 | -21% |
| 1,516 | 2,099 | 1,576 | -4% | Self Pay | 3,223 | 4,207 | 2,940 | 10% |
| 21,902 | 23,408 | 21,950 | 0% | Total | 42,635 | 47,166 | 43,185 | -1% |
| | | | | **Summary** | | | | |
| 18,248 | 18,020 | 17,875 | 2% | Public | 35,435 | 36,347 | 35,160 | 1% |
| 3,654 | 5,388 | 4,075 | -10% | Private | 7,200 | 10,819 | 8,025 | -10% |
| 21,902 | 23,408 | 21,950 | 0% | Total | 42,635 | 47,166 | 43,185 | -1% |
| | | | | **Total revenues %** | | | | |
| 27.6% | 28.7% | 29.5% | -6% | Medicare | 29.1% | 28.7% | 29.5% | -1% |
| 28.0% | 23.9% | 25.3% | 11% | Medicaid | 26.2% | 23.9% | 24.6% | 6% |
| 27.7% | 24.5% | 26.7% | 4% | HMO Care/Caid | 27.8% | 24.4% | 27.3% | 2% |
| 5.5% | 7.6% | 5.7% | -2% | HMO/PPO | 5.0% | 7.6% | 6.4% | -21% |
| 4.2% | 6.4% | 5.7% | -26% | Commercial/Other | 4.3% | 6.4% | 5.4% | -20% |
| 6.9% | 9.0% | 7.2% | -4% | Self Pay | 7.6% | 8.9% | 6.8% | 11% |
| 100.0% | 100.0% | 100.0% | 0% | Total | 100.0% | 100.0% | 100.0% | 0% |
| | | | | **Summary %** | | | | |
| 83.3% | 77.0% | 81.4% | 2% | Public | 83.1% | 77.1% | 81.4% | 2% |
| 16.7% | 23.0% | 18.6% | -10% | Private | 16.9% | 22.9% | 18.6% | -9% |
| 100.0% | 100.0% | 100.0% | 0% | Total | 100.0% | 100.0% | 100.0% | 0% |

**United Medical Center**

Statement of Operations - Trend (Hospital)

Fiscal Year 2011

*Dollars in Thousands*

| | Oct Actual | Nov Actual | Dec Actual | Jan Actual | Feb Actual | Mar Actual | Apr Actual | May Actual | Jun Actual | Jul Actual | Aug Actual | Sep Actual | Total Actual |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues:** | | | | | | | | | | | | | |
| Inpatient Revenue | $ 9,829 | $ 10,019 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 19,848 |
| Outpatient Revenue | 10,903 | 11,883 | - | - | - | - | - | - | - | - | - | - | 22,786 |
| Total Gross Patient Revenues | 20,732 | 21,902 | - | - | - | - | - | - | - | - | - | - | 42,634 |
| Deductions from Revenues: | | | | | | | | | | | | | |
| Contractual discounts | 12,980 | 15,832 | - | - | - | - | - | - | - | - | - | - | 28,812 |
| Disproportinate share revenues | (1,133) | (1,533) | - | - | - | - | - | - | - | - | - | - | (2,666) |
| Free care | 1 | - | - | - | - | - | - | - | - | - | - | - | 1 |
| Courtesy discounts & other | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Deductions from Revenues | 11,848 | 14,299 | - | - | - | - | - | - | - | - | - | - | 26,147 |
| Net patient services revenue | 8,884 | 7,603 | - | - | - | - | - | - | - | - | - | - | 16,487 |
| Safety net care revenues | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other revenues | 136 | 43 | - | - | - | - | - | - | - | - | - | - | 179 |
| Total Operating Revenues | 9,020 | 8,869 | - | - | - | - | - | - | - | - | - | - | 17,889 |
| **Operating expenses:** | | | | | | | | | | | | | |
| Salaries and wages | 3,694 | 3,698 | - | - | - | - | - | - | - | - | - | - | 7,392 |
| Employee benefits | 781 | 773 | - | - | - | - | - | - | - | - | - | - | 1,554 |
| Contract labor | 124 | 246 | - | - | - | - | - | - | - | - | - | - | 370 |
| Medical Supplies | 678 | 649 | - | - | - | - | - | - | - | - | - | - | 1,327 |
| Professional Fees | 446 | 484 | - | - | - | - | - | - | - | - | - | - | 930 |
| Purchased services | 630 | 537 | - | - | - | - | - | - | - | - | - | - | 1,167 |
| Provision for bad debt | 934 | 1,025 | - | - | - | - | - | - | - | - | - | - | 1,959 |
| Other expenses | 685 | 612 | - | - | - | - | - | - | - | - | - | - | 1,297 |
| Total Operating Expenses | 7,972 | 8,024 | - | - | - | - | - | - | - | - | - | - | 15,996 |
| Net Income (Loss) from Operations | 1,048 | 845 | - | - | - | - | - | - | - | - | - | - | 1,893 |
| **Nonoperating (Income)/Expense:** | | | | | | | | | | | | | |
| Investment income | (1) | - | - | - | - | - | - | - | - | - | - | - | (1) |
| Interest expense | 6 | 8 | - | - | - | - | - | - | - | - | - | - | 14 |
| Depreciation and Amortization | 400 | 400 | - | - | - | - | - | - | - | - | - | - | 800 |
| Total Nonoperating (Inc)/Exp | 405 | 408 | - | - | - | - | - | - | - | - | - | - | 813 |
| **Net Income (Loss)** | **$ 643** | **$ 437** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 1,080** |

## United Medical Center

Statement of Operations - Trend (SNF)

Fiscal Year 2011

*Dollars in Thousands*

| | Oct Actual | Nov Actual | Dec Actual | Jan Actual | Feb Actual | Mar Actual | Apr Actual | May Actual | Jun Actual | Jul Actual | Aug Actual | Sep Actual | Total Actual |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues:** | | | | | | | | | | | | | |
| Inpatient Revenue | $ 902 | $ 612 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 1,514 |
| Outpatient Revenue | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Gross Patient Revenues | 902 | 612 | - | - | - | - | - | - | - | - | - | - | 1,514 |
| Deductions from Revenues: | | | | | | | | | | | | | |
| Contractual discounts | 392 | - | - | - | - | - | - | - | - | - | - | - | 392 |
| Disproportinate share revenues | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Free care | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Courtesy discounts & other | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Deductions from Revenues | 392 | - | - | - | - | - | - | - | - | - | - | - | 392 |
| Net patient services revenue | 510 | 612 | - | - | - | - | - | - | - | - | - | - | 1,122 |
| CNMC revenues | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Safety net care revenues | - | - | - | - | - | - | - | - | - | - | - | - | - |
| SHW revenues | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other revenues | 5 | 5 | - | - | - | - | - | - | - | - | - | - | 10 |
| Total Operating Revenues | 515 | 617 | - | - | - | - | - | - | - | - | - | - | 1,132 |
| **Operating expenses:** | | | | | | | | | | | | | |
| Salaries and wages | 342 | 371 | - | - | - | - | - | - | - | - | - | - | 713 |
| Employee benefits | 79 | 86 | - | - | - | - | - | - | - | - | - | - | 165 |
| Contract labor | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Medical Supplies | 54 | 61 | - | - | - | - | - | - | - | - | - | - | 115 |
| Professional Fees | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Purchased services | 147 | 165 | - | - | - | - | - | - | - | - | - | - | 312 |
| Provision for bad debt | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other expenses | 55 | 59 | - | - | - | - | - | - | - | - | - | - | 114 |
| Total Operating Expenses | 677 | 742 | - | - | - | - | - | - | - | - | - | - | 1,419 |
| Net Income (Loss) from Operations | (162) | (125) | - | - | - | - | - | - | - | - | - | - | (287) |
| **Nonoperating (Income)/Expense:** | | | | | | | | | | | | | |
| Investment income | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest expense | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation and Amortization | 12 | 12 | - | - | - | - | - | - | - | - | - | - | 24 |
| Other | 33 | 33 | - | - | - | - | - | - | - | - | - | - | 66 |
| Total Nonoperating (Inc)/Exp | 45 | 45 | - | - | - | - | - | - | - | - | - | - | 90 |
| **Net Income (Loss)** | $ (207) | $ (170) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ (377) |

## United Medical Center

Balance Sheets-Trend (Hospital)
Fiscal Year 2011

*Dollars in Thousands*

| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Current assets:** | | | | | | | | | | | | |
| Cash and equivalents | $ 5,600 | $ 3,832 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Net accounts receivables | 14,338 | 15,137 | - | - | - | - | - | - | - | - | - | - |
| Due from SHW | 2,273 | 2,027 | - | - | - | - | - | - | - | - | - | - |
| Due from SNF | - | 786 | - | - | - | - | - | - | - | - | - | - |
| Inventories | 1,139 | 1,151 | - | - | - | - | - | - | - | - | - | - |
| Prepaid and other assets | 962 | 1,924 | - | - | - | - | - | - | - | - | - | - |
| Total current assets | 24,312 | 24,857 | - | - | - | - | - | - | - | - | - | - |
| **Long term assets:** | | | | | | | | | | | | |
| Estimated third-party payor settlements | 1,146 | 2,679 | - | - | - | - | - | - | - | - | - | - |
| Capital assets | 71,071 | 70,796 | - | - | - | - | - | - | - | - | - | - |
| Total long-term assets | 72,217 | 73,475 | - | - | - | - | - | - | - | - | - | - |
| Total assets | $ 96,529 | $ 98,332 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Current liabilities:** | | | | | | | | | | | | |
| Current portion, notes payable | $ 509 | $ 468 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Current portion, capital lease obligation | 64 | 56 | - | - | - | - | - | - | - | - | - | - |
| Trade payables | 9,195 | 10,028 | - | - | - | - | - | - | - | - | - | - |
| Accrued salaries and benefits | 9,470 | 9,699 | - | - | - | - | - | - | - | - | - | - |
| Other liabilities | 3,382 | 3,463 | - | - | - | - | - | - | - | - | - | - |
| Total current liabilities | 22,620 | 23,714 | - | - | - | - | - | - | - | - | - | - |
| **Long term liabilities:** | | | | | | | | | | | | |
| Notes payable | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital lease obligations | - | - | - | - | - | - | - | - | - | - | - | - |
| Due to affiliate | 5,699 | 5,699 | - | - | - | - | - | - | - | - | - | - |
| Contingent & other liabilities | 1,874 | 1,874 | - | - | - | - | - | - | - | - | - | - |
| Total long term liabilities | 7,573 | 7,573 | - | - | - | - | - | - | - | - | - | - |
| **Net Assets** | | | | | | | | | | | | |
| Unrestricted | 66,335 | 67,045 | - | - | - | - | - | - | - | - | - | - |
| Total net assets | 66,335 | 67,045 | - | - | - | - | - | - | - | - | - | - |
| Total liabilities and net assets | $ 96,528 | $ 98,332 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |

## United Medical Center

Operating Statistics-Trend

Fiscal Year 2011

| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Available beds:** | | | | | | | | | | | | | |
| Medical/Surgical | 95 | 95 | 95 | 95 | 95 | 95 | 95 | 95 | 95 | 95 | 95 | 95 | 95 |
| Psychiatric | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 |
| Intensive Care Unit | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 |
| Nursery | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 |
| OB/GYN | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Total Acute | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 |
| Sub-acute | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 |
| Total | 304 | 304 | 304 | 304 | 304 | 304 | 304 | 304 | 304 | 304 | 304 | 304 | 304 |
| **Admissions:** | | | | | | | | | | | | | |
| Medical/Surgical | 263 | 254 | - | - | - | - | - | - | - | - | - | - | 517 |
| Psychiatric | 81 | 64 | - | - | - | - | - | - | - | - | - | - | 145 |
| Intensive Care Unit | 26 | 33 | - | - | - | - | - | - | - | - | - | - | 59 |
| Nursery | 38 | 42 | - | - | - | - | - | - | - | - | - | - | 80 |
| OB/GYN | 40 | 47 | - | - | - | - | - | - | - | - | - | - | 87 |
| Total Acute | 448 | 440 | - | - | - | - | - | - | - | - | - | - | 888 |
| Sub-acute | 66 | 17 | - | - | - | - | - | - | - | - | - | - | 83 |
| Total | 514 | 457 | - | - | - | - | - | - | - | - | - | - | 971 |
| **Deliveries** | 38 | 42 | - | - | - | - | - | - | - | - | - | - | 80 |
| **Patient Days:** | | | | | | | | | | | | | |
| Medical/Surgical | 1,511 | 1,349 | - | - | - | - | - | - | - | - | - | - | 2,860 |
| Psychiatric | 570 | 662 | - | - | - | - | - | - | - | - | - | - | 1,232 |
| Intensive Care Unit | 208 | 219 | - | - | - | - | - | - | - | - | - | - | 427 |
| Nursery | 104 | 118 | - | - | - | - | - | - | - | - | - | - | 222 |
| OB/GYN | 115 | 128 | - | - | - | - | - | - | - | - | - | - | 243 |
| Total Acute | 2,508 | 2,476 | - | - | - | - | - | - | - | - | - | - | 4,984 |
| Sub-acute | 1,840 | 1,931 | - | - | - | - | - | - | - | - | - | - | 3,771 |
| Total | 4,348 | 4,407 | - | - | - | - | - | - | - | - | - | - | 8,755 |
| **Average Daily Census:** | | | | | | | | | | | | | |
| Medical/Surgical | 48.7 | 45.0 | - | - | - | - | - | - | - | - | - | - | 93.7 |
| Psychiatric | 18.4 | 22.1 | - | - | - | - | - | - | - | - | - | - | 40.5 |
| Intensive Care Unit | 6.7 | 7.3 | - | - | - | - | - | - | - | - | - | - | 14.0 |
| Nursery | 3.4 | 3.9 | - | - | - | - | - | - | - | - | - | - | 7.3 |
| OB/GYN | 3.7 | 4.3 | - | - | - | - | - | - | - | - | - | - | 8.0 |
| Total Acute | 80.9 | 82.5 | - | - | - | - | - | - | - | - | - | - | 163.4 |
| Sub-acute | 59.4 | 64.4 | - | - | - | - | - | - | - | - | - | - | 123.7 |
| Total | 140.3 | 146.9 | - | - | - | - | - | - | - | - | - | - | 287.2 |

## United Medical Center

Operating Statistics-Trend (continued)

Fiscal Year 2011

| | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Occupancy %** | | | | | | | | | | | | | |
| Medical/Surgical | 51.3% | 47.3% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 98.6% |
| Psychiatric | 54.1% | 64.9% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 119.0% |
| Intensive Care Unit | 41.9% | 45.6% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 87.6% |
| Nursery | 14.0% | 16.4% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 30.4% |
| OB/GYN | 24.7% | 28.4% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 53.2% |
| Total Acute | 44.0% | 44.9% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 88.8% |
| Sub-acute | 49.5% | 53.6% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 103.1% |
| Total | 46.1% | 48.3% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 94.5% |
| **Average Length of Stay:** | | | | | | | | | | | | | |
| Medical/Surgical | 5.7 | 5.3 | - | - | - | - | - | - | - | - | - | - | 5.5 |
| Psychiatric | 7.0 | 10.3 | - | - | - | - | - | - | - | - | - | - | 8.5 |
| Intensive Care Unit | 8.0 | 6.6 | - | - | - | - | - | - | - | - | - | - | 7.2 |
| Nursery | 2.7 | 2.8 | - | - | - | - | - | - | - | - | - | - | 2.8 |
| OB/GYN | 2.9 | 2.7 | - | - | - | - | - | - | - | - | - | - | 2.8 |
| Total Acute | 5.6 | 5.6 | - | - | - | - | - | - | - | - | - | - | 5.6 |
| Sub-acute | 27.9 | 113.6 | - | - | - | - | - | - | - | - | - | - | 45.4 |
| Total | 8.5 | 9.6 | - | - | - | - | - | - | - | - | - | - | 9.0 |
| **Surgeries:** | | | | | | | | | | | | | |
| Inpatient | 51 | 59 | - | - | - | - | - | - | - | - | - | - | 110 |
| Outpatient | 117 | 141 | - | - | - | - | - | - | - | - | - | - | 258 |
| Total | 168 | 200 | - | - | - | - | - | - | - | - | - | - | 368 |
| **Emergency Visits:** | | | | | | | | | | | | | |
| ED patients-admitted as IP | 340 | 361 | - | - | - | - | - | - | - | - | - | - | 701 |
| ED patients-OP | 3,088 | 3,037 | - | - | - | - | - | - | - | - | - | - | 6,125 |
| Total | 3,428 | 3,398 | - | - | - | - | - | - | - | - | - | - | 6,826 |
| **Outpatient Services:** | | | | | | | | | | | | | |
| Clinics | 645 | 656 | - | - | - | - | - | - | - | - | - | - | 1,301 |
| Radiology | 602 | 545 | - | - | - | - | - | - | - | - | - | - | 1,147 |
| Laboratory | 274 | 245 | - | - | - | - | - | - | - | - | - | - | 519 |
| Total | 1,521 | 1,446 | - | - | - | - | - | - | - | - | - | - | 2,967 |
| **Case Mix Index:** | | | | | | | | | | | | | |
| Hospital | 1.1700 | 1.0000 | - | - | - | - | - | - | - | - | - | - | 1.0850 |
| Medicare | 1.5655 | 1.3273 | - | - | - | - | - | - | - | - | - | - | 1.4464 |
| Medicaid | 1.3591 | 1.0972 | - | - | - | - | - | - | - | - | - | - | 1.2282 |
| **FTEs:** | | | | | | | | | | | | | |
| Worked | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Paid | 722.5 | 724.2 | - | - | - | - | - | - | - | - | - | - | 1,446.7 |

**United Medical Center**
Performance Indictors

| | Definition | Year to date FY2011 | Year to date FY2010 | Benchmarks |
|---|---|---|---|---|
| **Profitability:** | | | | |
| Total Margin<br>Shows the percentage of revenues collected from operating and nonoperating activities that is kept as profit. | Revenues in excess of expenses / Total revenues | 3.9% | 13.9% | |
| Operating Margin<br>Shows the percentage of revenues collected from operations that is kept as profit. | Net operating income / Total operating revenue | 8.5% | 14.6% | |
| Markup Ratio<br>Measures the percentage by which charges are increased above cost | (Gross patient revenue + other operating revenue) / Total operating expense | 2.7 | 2.8 | |
| Deductible Ratio<br>Measures the percentage discount that third-party payers get, on average, from listed charges. | Contractual discounts / Gross patient service revenue | 66.2% | 62.5% | |
| **Liquidity:** | | | | |
| Current Ratio<br>Measures how many times the hospital is able to meet its short-term obligations with short-term | Current assets / Current liabilities | 1.0 | 0.8 | |
| Days Cash On Hand<br>Illustrates the number of days the hospital could continue to operate without collecting any additional | Current cash and investments / (Other operating expenses/365) | 14.0 | 10.2 | |
| Days in Net Accounts Receivables<br>Illustrates the number of days it takes to collect outstanding patient receivables. | Net accounts receivable / (Net patient revenue - bad debt expense)/365 | 63.4 | 65.8 | |
| **Solvency:** | | | | |
| Equity Financing<br>Shows how much of the hospitals assets were paid for using equity, and how much of its assets were paid for using debt. | Unrestricted net assets / Total unrestricted assets | 67.6% | 68.2% | |
| Cash Flow to Total Debt<br>Illustrates financial risk: Given the hospital's source of total funds for the current year, how much of their debt could they pay off this year. | (Revenues in excess of expenses + depreciation) / (Total current + total noncurrent liabilities) | 8.3% | 23.9% | |

| J.10 | UMC Management Vision 2015 |
| --- | --- |

United Medical Center

# Management Vision 2015

Frank G. DeLisi
Chief Executive Officer

December 2, 2010

# Mission and Vision

## Mission

To be a comprehensive health care organization that cares for the sick and provides quality, cost-competitive services in a financially successful environment while improving the health and well being of our community.

## Vision

Our vision is to be the preferred medical center for

- Our patients
- Our physicians
- Our staff
- Our community

# Values

**Customer Service:** Every customer interaction is an opportunity to make a positive difference. Excellent service must be the result of our efforts.

**Communications:** We expect a clear and open exchange of information that will enhance the understanding of our internal and external customers' needs, wants and expectations.

**Ethics, Honesty, and Integrity:** We believe in a code of ethics that embodies mutual respect, fairness and truthfulness.

# Values

**Innovation:** We value the willingness and ability of all employees to create the future together. We support and encourage new ideas, approaches and attitudes that result in new and improved services and customer satisfaction.

**People:** Employees, physicians, volunteers and students will ultimately define our success. We treat one another in a dignified, respectful and courteous manner. We value and are committed to our rich tradition of cultural diversity.

**Quality:** We strive to provide services that exceed our customers' needs, wants and expectations.

**Teamwork:** We support an environment that fosters working cooperatively to achieve a common goal.

# Strategic Imperative

UMC has tremendous potential; however, by no means is success guaranteed. UMC's success in large measure will depend upon careful planning, successful relationship building with key stakeholders including the community, legislators, and providers as well as implementation of critical strategies.

# UMC by 2015

- Campus is a medical city that employs 5,000 in a wide variety of medical and retail services
- Magnet Hospital that is financially strong, plays an important role in teaching residents, provides a comprehensive array of services and is now the hospital of choice for its market service area
- Recognized leader for outstanding customer service, employees who are competent, compassionate, and known for high quality medical care

# UMC by 2015

- UMC and it employees are actively involved in a wide range of outreach efforts to help improve the health of individuals living in the District of Columbia, specifically Wards 7 and 8.
- United Medical Center Foundation is engaged in fund raising campaigns designed to help expand facilities, incorporate the latest technology in everyday treatment and invest in the best and brightest medical personnel

# Critical Strategies

- Successfully achieving the right balance of medical staff. This requires drawing upon the strengths of current medical staff, as well as developing relationships and partnering with private, community-based physicians to provide health care to greater numbers of commercially insured District residents.
- The campus must be developed. Such as the building a medical office building, in addition to the hospital, that can be used by physicians to provide outpatient diagnostic care and procedures for their patients.
- Provide programming and staffing to reflect and meet the expectations of targeted markets, both safety net and private market patients.

# Critical Strategies

- Develop facility accommodations that can meet the needs and expectations of those with "choice" as compared to those whom have been historically uninsured, and without choice.
- Hospital must develop unquestionable financial strength, such as an "A-Rated Hospital" This will require UMC to attract private insurance customers in order to provide sufficient operating revenue (i.e., must target revenue generating ambulatory procedures, geriatric services, etc) to support the continuing viability and growth of UMC.

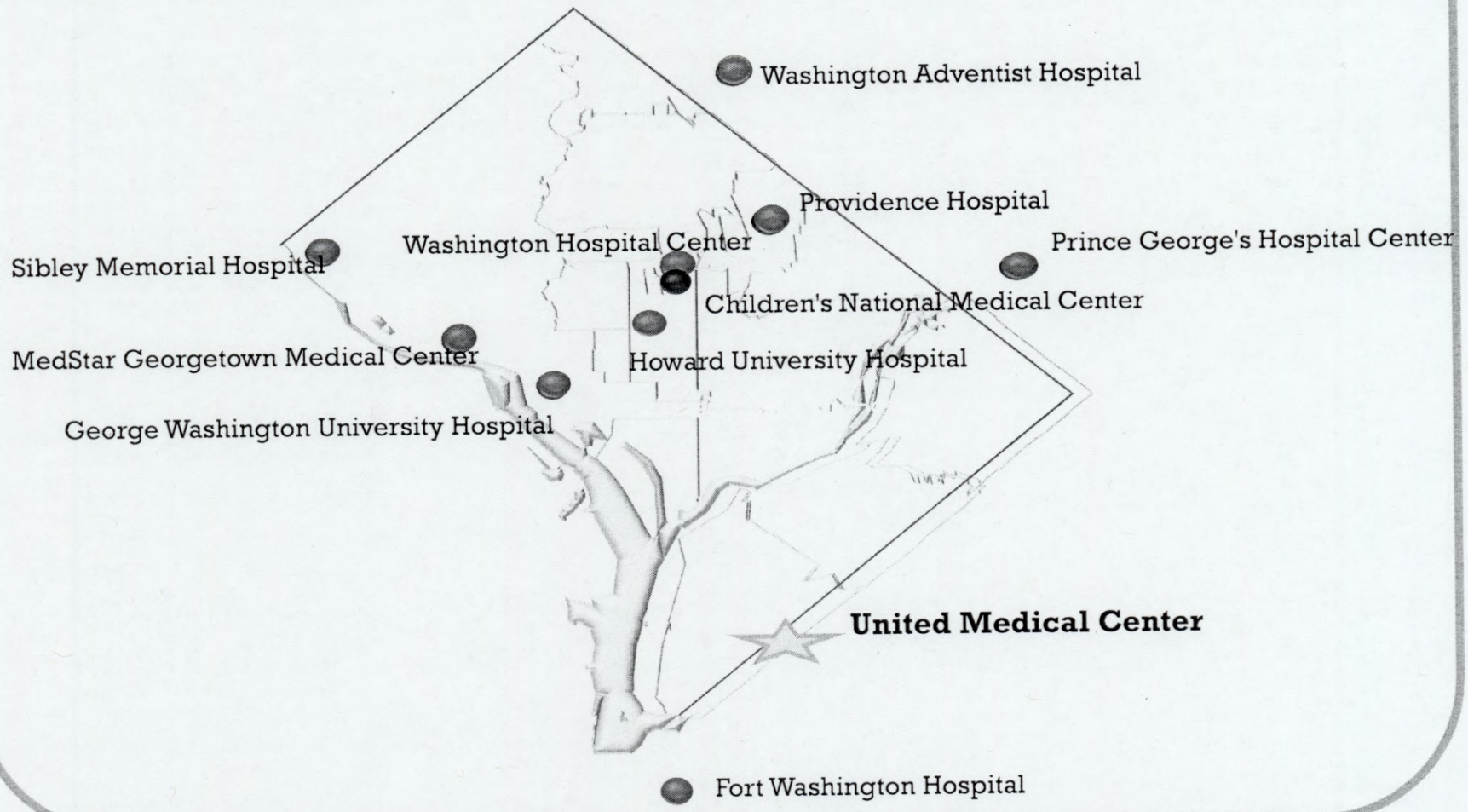
# Barriers To Success

- Public **Perception** - hospital does not have adequate facilities, technologies, clinical programs and physician capabilities. Public Hospital narrowly focused on serving the poor.
- Revolving Ownership – has disrupted the continuity required to develop and execute long range strategic plans (i.e. physician capabilities, facilities improvements, programs and services needed by the community).
- Checkered Financial History - Greater Southeast Hospital and predecessor organizations have gone through a never ending series of bankruptcies and foreclosures over the past 10 years.

# Barriers To Success

- Corporate Structure - has impaired the Hospital's ability to attract philanthropic sponsorships and stymied community development activities
- Talent Acquisition - inability to recruit and retain management and physicians leaders in the context of the current strategies and specific strategic initiatives.
- Cash Limitation - cash generated from operations inadequate for financing physician recruitment, facilities development, equipment purchases and expanding service offering .
- Program Deficits - inability to develop clinical programs and services that are needed by the residents east of the Anacostia River.

# Hospital Landscape



# Inpatient Market Share

| Acute Hospitals | Admissions | | Market Share | |
|---|---|---|---|---|
| | 2000 | 2010 | 2000 | 2010 |
| Children's National Medical Center | 9,618 | 13,008 | 7.4% | 10.4% |
| DC General Hospital | 9,627 | - | 7.4% | 0.0% |
| George Washington University Hospital | 11,824 | 17,556 | 9.1% | 14.1% |
| Georgetown University Hospital | 12,363 | 15,228 | 9.6% | 12.2% |
| Hadley Memorial Hospital | 1,583 | - | 1.2% | 0.0% |
| Howard University Hospital | 11,799 | 12,672 | 9.1% | 10.2% |
| Providence Hospital | 12,398 | 13,344 | 9.6% | 10.7% |
| Sibley Memorial Hospital | 11,233 | 11,880 | 8.7% | 9.5% |
| **United Medical Center** | **9,391** | **5,424** | **7.3%** | **4.3%** |
| Washington Hospital Center | 39,526 | 35,604 | 30.6% | 28.5% |
| **Total Admissions** | **129,362** | **124,716** | **100.0%** | **100.0%** |

Source: DCHA Utilization Indicators Calendar Years 2000 Actual and Projected 2010

# ER Market Share

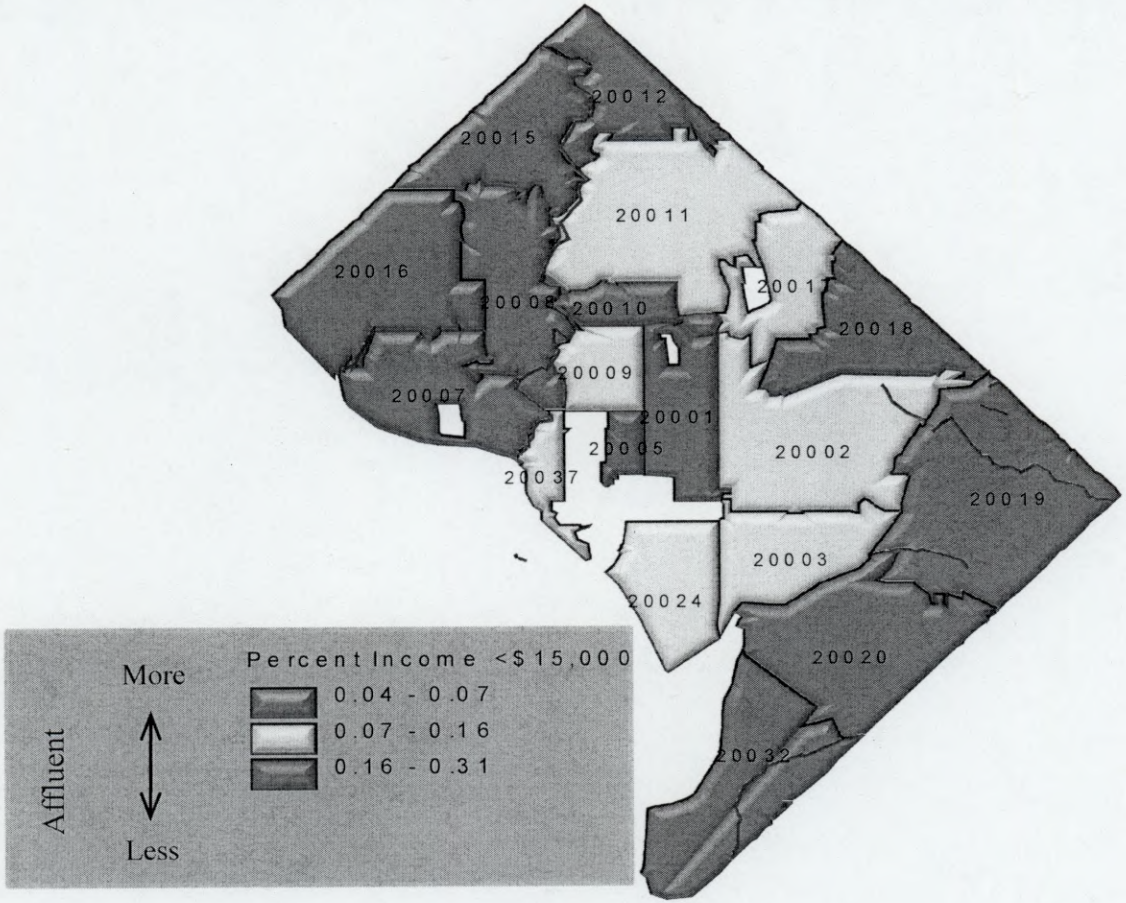
| Acute Hospitals | ER Visits | | Market Share | |
|---|---|---|---|---|
| | 2000 | 2010 | 2000 | 2010 |
| Children's National Medical Center | 41,302 | 80,148 | 11.3% | 17.2% |
| DC General Hospital | 51,491 | - | 14.0% | 0.0% |
| George Washington University Hospital | 44,854 | 75,864 | 12.2% | 16.3% |
| Georgetown University Hospital | 21,756 | 36,552 | 5.9% | 7.8% |
| Hadley Memorial Hospital | 9,487 | - | 2.6% | 0.0% |
| Howard University Hospital | 43,784 | 61,512 | 11.9% | 13.2% |
| Providence Hospital | 34,629 | 49,380 | 9.4% | 10.6% |
| Sibley Memorial Hospital | 23,115 | 30,072 | 6.3% | 6.4% |
| **United Medical Center** | **37,429** | **44,652** | **10.2%** | **9.6%** |
| Washington Hospital Center | 58,826 | 88,656 | 16.0% | 19.0% |
| **Total ER Visits** | **366,673** | **466,836** | **100.0%** | **100.0%** |

Source: DCHA Utilization Indicators Calendar Years 2000 Actual and Projected 2010

# Strengths

- UMC is the only Hospital east of the Anacostia River
- Medical Staff is very loyal and committed to the Hospital
- The emergency room, digital imaging services, diabetes, HIV and wound care programs are exceptional
- District of Columbia government is committed to the success of UMC
- Workforce average tenure is 20 years and the employee stability has been central to the hospital's survival
- UMC has a very unique mission in a community with significant poverty.

# Where is Poverty in the District?



# Governance

- Hospital Board of Directors are ultimately responsible for all aspects of the organization, from top to bottom.
- Responsible for ensuring the hospital is carrying out the goals of its mission statement and sets strategic direction.
- UMC Board of Directors consist of community-based passionate mission driven members
- Clarity is needed on the Board's role within the context of NFPHC being an independent instrumentality of the District of Columbia

# Role of District of Columbia

- Not-For-Profit Hospital Corporation was created by legislation
- Important funding opportunities are available via the Upper Payment Limit, Safety Net Care Pools, Disproportionate Care Hospital Funding and DC Medicaid
- Best practices for government-owned hospitals have been to create independent authorities with funding sources residing outside of general funds
- Hospital is represented by the OAG and OCFO
- Councilmember David Catania has been an extraordinary sponsor and tireless leader in preserving clinical services at United Medical Center.

# Physicians

- Currently, UMC has 247 members on the medical staff
- Physician recruitment, retention, and replacement of retiring medical staff present the greatest challenges to United Medical Center over the next five years.
- Physician recruitment is as follows:
  - Primary Care Physicians
  - Medical sub specialists including Cardiology, Endocrinology, GI, Neurology and Oncology
  - Surgeons: General, Vascular, Orthopedic, Ophthalmology, and Urology

# Employees

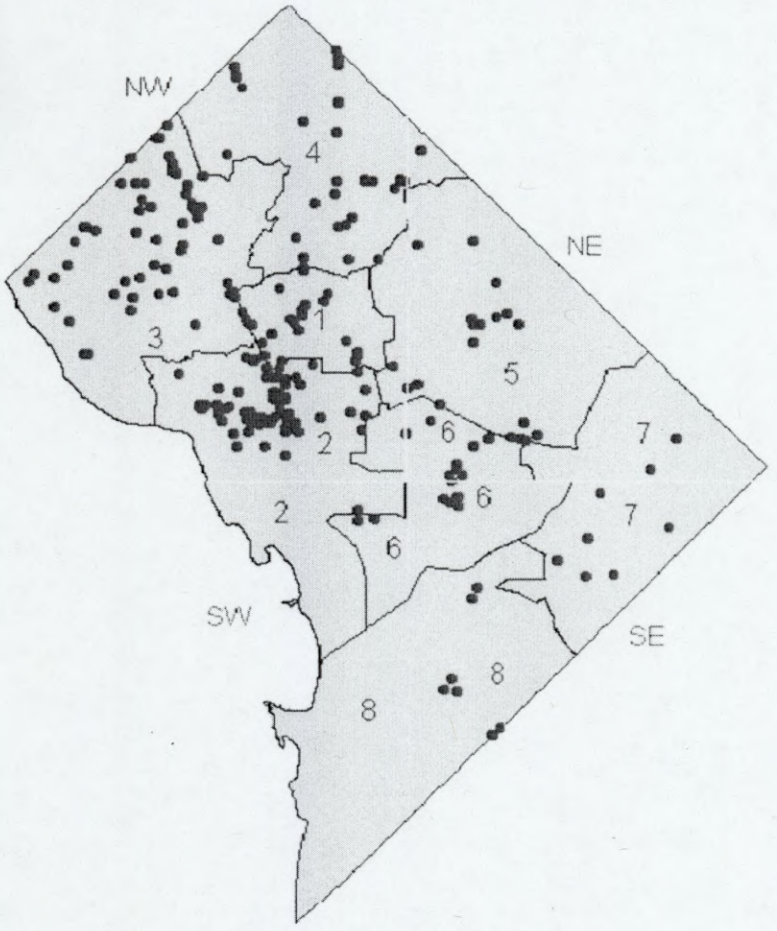
- Transformation of the UMC workforce will further align the employees with Hospital goals, enhance the employee capabilities and will build our brand and competitive advantage.
- Currently, UMC workforce stands at 910 employees. Most of our employees are covered by collective bargaining agreement. We have an extraordinarily positive relationship with these Unions.
- Our customer service initiatives are designed to increase patient satisfaction and loyalty and overall hospital quality
- Establish an employee recognition and award system
- Develop an employee compensation and incentive program

# Market Opportunity

- UMC primary service area is the District of Columbia's Ward 7 and 8. This represents about 25% of the District population.
- Studies have shown the following health conditions
  - Obesity – Ward 7 at 30.5% and Ward 8 at 30.6%
  - Diabetes – Ward 7 at 12.0% and Ward 8 at 11.8%
  - Hypertension – Ward 7 at 31.9% and Ward 8 at 29.0%
  - Currently most of these patients seek care outside of Southeast DC
- 80% of trauma transports out migrate to other hospitals
- Major opportunities for collaborations in cardiology, oncology, anesthesia, pathology, women health and pediatric emergency medicine
- Out of the 675 location of doctors offices in the District, only 39 are located in Ward 7 (10) and Ward 8 (29).

# Location of Doctors' Offices by Ward and Quadrant, 2003

| Wards | # of Offices |
|---|---|
| 1 | 30 |
| 2 | 252 |
| 3 | 126 |
| 4 | 59 |
| 5 | 131 |
| 6 | 38 |
| 7 | 10 |
| 8 | 29 |
| | 675 |



# UMC Foundation

- Organized as an 501(c)3 Not-For-Profit Corporation
- Originally organized to serve as the primary community outreach vehicle for the UMC
- Reorganization of the Foundation will allow it to focus on fund raising. Future capital campaigns will focus on:
  - Emergency Room
  - Obstetrics and Nursery
  - Patient Care Bed Tower
  - Hospital Main Lobby

# Community Outreach

- Establish and strengthen relationships with educational institutions, the faith-based community, appointed officials, nonprofit and community-based organizations to encourage wellness for all community residents.
- Increase participation and development of community-based events that are of mutual interest to the hospital and patient population.
- Have a fully functioning Community Advisory Committee composed of people with strong ties to the community and serve the best interest of the hospital.
- Enhance the current Volunteer/Auxiliary Program
- Increase partnerships with local Universities and Community Colleges to offer ongoing entry-level degrees and certificates to staff and community members.

# Land Development

- United Medical Center is a 354-bed health care facility located on approximately 17 acres
- Development opportunities using off - balance sheet financing.
  - Medical Office Building
  - Parking Decks
  - Ambulatory Surgery Center
  - Offsite Imaging Center
- Investment opportunities financed by UMC or Partner
  - Emergency Care Unit
  - Patient Care Bed Tower
  - Skilled Nursing Facilities
  - Primary Care Clinics
  - Diagnostic Care Centers
- These developments would generate significant additional revenue streams to support the Hospital's core mission.

# A-Rated Hospital

| Description | Moody's A Rated Hospital | UMC 2011 Budget | Desired |
|---|---|---|---|
| Maintained Bed Capacity | 71% | 63% | Higher |
| Average Length of Stay | 5.0 | 5.1 | Lower |
| Operating Margin | 3.20% | 8.20% | Higher |
| Excess Margin | 6.40% | 4.32% | Higher |
| Cash-on-hand (days) | 196.6 | 30.2 | Higher |
| Accounts Receivable (days) | 50.60 | 40.60 | Lower |
| Debt-to-capitalization | 35.2% | 15.6% | Lower |
| Bad Debt as a % of Net Patient Revenues | 5.8% | 14.6% | Lower |
| Consecutive Years Positive Operating Results (at least) | 3 years | 0 years | Higher |

# Closing Summary

- UMC is on a strong trajectory toward financial and operational stability
- District of Columbia government has provided a safe harbor during a challenged transition
- We have entered into key partnerships which will continue to strengthen and expand our clinical programming

# Closing Summary

- UMC market opportunities are present but require tactical implementation and funding
- As UMC continues to generate clinical and financial success, it will be highly pursued by other corporate entities.
- Ownership structure should be driven by value added to the community, physicians and employees…mission driven

# Market Share by Hospital

## 2007 Primary Services Area Discharges

| Hospital | UMC | WHC | HUH | PH | GUH | CMC | GWU | SMH | VAMC | NRH | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 20020 | 1817 | 2560 | 1101 | 667 | 336 | 437 | 970 | 99 | 129 | 86 | 8202 |
| 20032 | 1985 | 1583 | 678 | 431 | 215 | 347 | 646 | 38 | 101 | 49 | 6073 |
| Total PSA | 3802 | 4143 | 1779 | 1098 | 551 | 784 | 1616 | 137 | 230 | 135 | 14275 |
| Market Share % | 26.6 | 29.0 | 12.5 | 7.7 | 3.9 | 5.5 | 11.3 | 1.0 | 1.6 | .9 | 100% |

# Market Share by Hospital

## 2007 Secondary Services Area Discharges

| Hospital | UMC | WHC | HUH | PH | GUH | CMC | GWU | SMH | VAMC | NRH | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 20019 | 724 | 3272 | 1427 | 1823 | 370 | 431 | 936 | 88 | 198 | 89 | 9358 |
| 20001 | 89 | 1928 | 1609 | 625 | 262 | 163 | 755 | 194 | 127 | 68 | 5820 |
| 20002 | 157 | 3012 | 1352 | 1436 | 409 | 342 | 905 | 317 | 169 | 93 | 8192 |
| 20003 | 394 | 576 | 293 | 232 | 159 | 57 | 547 | 261 | 47 | 27 | 2593 |
| Total SSA | 1364 | 8788 | 4681 | 4116 | 1200 | 993 | 3143 | 860 | 541 | 277 | 25963 |
| Market Share % | 5.3 | 33.8 | 18.0 | 15.9 | 4.6 | 3.8 | 12.1 | 3.3 | 2.1 | 1.1 | 100% |

# Market Share by Hospital

## 2007

### Total Service Area Discharges

| Hospital | UMC | WHC | HUH | PH | GUH | CMC | GWU | SMH | VAMC | NRH | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| All Zip Codes | 5166 | 12931 | 6460 | 5214 | 1751 | 1777 | 4759 | 997 | 771 | 412 | 40238 |
| Market Share % | 12.8 | 32.1 | 16.1 | 13.0 | 4.4 | 4.4 | 11.8 | 2.5 | 1.9 | 1.0 | 100% |

# Market Share by Hospital

## 2007 Primary Services Area

| Service Line | UMC | WHC | HUH | PH | GUH | CMC | GWU | Other | Total |
|---|---|---|---|---|---|---|---|---|---|
| Cardiology | 38.1% | 24.8% | 15.1% | 7.2% | 2.1% | .8% | 8.9% | 3.0% | 100% |
| Cardiac Surgery | 2.5% | 80.3% | 2.5% | 1.3% | 0.0% | 2.1% | 9.2% | 2.1% | 100% |
| Oncology Medical | 10.2% | 38.8% | 19.2% | 3.9% | 7.8% | 6.7% | 11.0% | 2.4% | 100% |
| Oncology Surgical | 6.5% | 43.5% | 11.3% | 9.7% | 4.8% | 1.6% | 19.4% | 3.2% | 100% |
| Neurology | 35.4% | 21.0% | 8.9% | 8.1% | 5.5% | 5.5% | 13.3% | 2.5% | 100% |
| Urology | 33.0% | 25.9% | 8.2% | 6.5% | 5.6% | 1.5% | 15.9% | 3.3% | 100% |
| Women's Health | 11.8% | 40.4% | 16.3% | 11.2% | 5.1% | 3.9% | 6.7% | 4.5% | 100% |
| Orthopedics | 9.3% | 27.9% | 14.8% | 7.6% | 7.0% | 8.7% | 20.9% | 3.8% | 100% |

# Market Share by Hospital

## 2007 Primary Services Area

| Service Line | UMC | WHC | HUH | PH | GUH | CMC | GWU | Other | Total |
|---|---|---|---|---|---|---|---|---|---|
| Respiratory | 35.8% | 15.4% | 11.0% | 5.8% | 2.8% | 17.3% | 9.4% | 2.5% | 100% |
| Medicine | 32.0% | 18.3% | 13.7% | 6.7% | 4.4% | 7.9% | 10.4% | 6.6% | 100% |
| General Surgery | 4.2% | 35.8% | 13.1% | 17.6% | 6.4% | 4.3% | 14.4% | 4.0% | 100% |
| Other Surgery | 17.6% | 35.6% | 9.9% | 8.0% | 8.6% | 5.6% | 13.3% | 1.4% | 100% |
| Newborn | 18.0% | 45.6% | 12.2% | 7.1% | 2.1% | 2.8% | 10.8% | 1.4% | 100% |
| Psychiatry | 32.0% | 22.9% | 12.9% | 12.4% | 2.4% | 5.7% | 7.1% | 4.7% | 100% |
| Substance Abuse | 17.0% | 4.5% | 7.4% | 39.2% | 7.4% | .6% | 11.9% | 11.9% | 100% |

# Market Share by Hospital

## 2007 Secondary Services Area

| Service Line | UMC | WHC | HUH | PH | GUH | CMC | GWU | Other | Total |
|---|---|---|---|---|---|---|---|---|---|
| Cardiology | | | | | | | | | 100% |
| Cardiac Surgery | | | | | | | | | 100% |
| Oncology Medical | | | | | | | | | 100% |
| Oncology Surgical | | | | | | | | | 100% |
| Neurology | | | | | | | | | 100% |
| Urology | | | | | | | | | 100% |
| Women's Health | | | | | | | | | 100% |
| Orthopedics | | | | | | | | | 100% |

# Market Share by Hospital

## 2007 Secondary Services Area

| Service Line | UMC | WHC | HUH | PH | GUH | CMC | GWU | Other | Total |
|---|---|---|---|---|---|---|---|---|---|
| Respiratory | | | | | | | | | 100% |
| Medicine | | | | | | | | | 100% |
| General Surgery | | | | | | | | | 100% |
| Other Surgery | | | | | | | | | 100% |
| Newborn | | | | | | | | | 100% |
| Psychiatry | | | | | | | | | 100% |
| Substance Abuse | | | | | | | | | 100% |