

**DIVISION OF HEALTH PLANNING AND  
RESOURCE DEVELOPMENT  
JUNE 2012**

**CON REVIEW: HG-SB-0212-002  
ANDERSON REGIONAL MEDICAL CENTER  
ESTABLISHMENT OF SWING BED SERVICES  
CAPITAL EXPENDITURE: \$-0-  
LOCATION: MERIDIAN, LAUDERDALE COUNTY, MISSISSIPPI**

**STAFF ANALYSIS**

**I. PROJECT SUMMARY**

**A. Applicant Information**

Jeff Anderson Memorial Hospital Foundation, Inc. is the parent company for Anderson Regional Medical Center ("Anderson"). Anderson Regional Medical Center has two locations (North and South). Anderson Regional Medical Center North Campus is located at 2124 14<sup>th</sup> Street. Anderson Regional Medical Center South Campus ("Anderson South") is located at 1102 Constitution Avenue, Meridian, Lauderdale County, Mississippi. Anderson is a non-profit corporation and its north location is licensed for 260 acute care beds and its south location is licensed for 140 acute care beds, which includes a 20-bed rehabilitation unit. The south campus, which is the subject of this proposal, offers a complement of services i.e. pain management, rehabilitation, wound care, outpatient infusion therapy, and tobacco cessation classes. The hospital is governed by a seven-member Board of Directors. Additionally, the Hospital is accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), and participates in the Blue Cross, Medicare, and Medicaid programs.

According to the applicant, Anderson Regional Medical Center purchased the south campus January 1, 2011. Consequently, data is only available for a nine month period regarding the occupancy rate and average length of stay (ALOS). The facility's occupancy rate for fiscal year 2011 was 25.87%, and the ALOS was 6.14 days. The facility's Medicaid utilization rate was not available. Since Anderson Regional Medical Center was formally known as Riley Hospital, staff provides the following historical data for Riley Hospital.

**Riley Hospital  
Utilization Data**

<b>Fiscal Year</b>	<b>Occupancy Rate (%)</b>	<b>ALOS (Days)</b>	<b>Medicaid Utilization Rate (%)</b>
2008	32.18	4.63	n/a
2009	32.18	4.64	n/a
2010	27.79	4.56	15.00

**Source:** Division of Health Facilities Licensure and Certification, MSDH

**B. Project Description**

Anderson Regional Medical Center's South Campus formally known as Riley Hospital was purchased by Anderson Regional Medical Center on January 1, 2011. Anderson Regional Medical Center requests Certificate of Need (CON) authority to utilize twenty five (25) of its acute-care beds for the dual "swing-bed" concept. Currently, Anderson Regional Medical Center's South Campus is licensed for 120 short-term acute care beds and 20 rehabilitation beds; however, 50 acute care beds and 20 rehabilitation beds are setup and staffed. The applicant proposes to take 25 of its 120 short-term acute care beds and convert them to swing beds services. Upon completion of this project, the applicant intends to de-license 71 of its acute-care beds and place them in abeyance. Consequently, Anderson Regional Medical Center's South Campus total bed complement will be 49 beds with 25 of the beds serving dual purpose as acute care and swing beds. (Note: The original application received February 29, 2012 indicated that the bed complement upon completion of the project would be 50-beds; however, updated information received May 23, 2012 indicates that the total bed complement at ARMC's South Campus will be 49 acute-care beds.)

On February 7, 2012, the Mississippi State Department of Health, Division of Health Facilities Licensure and Certification found the property located at 1102 Constitution Avenue, Meridian, Mississippi to be acceptable for the stated use and granted site approval.

The applicant asserts that the proposed project has no new construction and/or renovation, no new personnel; thus, requires no capital expenditure. Please note that the applicant contends there will be no new employees hired for the proposed project; however, existing 2.5 full-time equivalent (FTE) employees currently assigned to the South Campus will be reassigned to the swing bed unit. The applicant estimates the annual personnel cost to be \$52,770. Additionally, the applicant anticipates August 30, 2012 as the date of completion for the proposed project in order to receive CMS Certification on or before October 1, 2012.

**II. TYPE OF REVIEW REQUIRED**

The Mississippi State Department of Health reviews applications for the establishment of a swing-bed program and the offering of swing-bed services under the statutory requirement of Sections 41-7-191, subparagraphs (1)(d)(x), and (7), of the Mississippi Code 1972, Annotated, as amended, and duly adopted rules, procedures, plans, criteria, and standards of Mississippi State Department of Health.

In accordance with Section 41-7-197(2) of the Mississippi Code 1972, Annotated, as amended, any affected person may request a public hearing on this project within 20 days of publication of the staff analysis. The opportunity to request a hearing expires on June 27, 2012.

### III. CONFORMANCE WITH THE STATE HEALTH PLAN AND OTHER ADOPTED CRITERIA AND STANDARDS

#### A. State Health Plan (SHP)

The *FY 2012 State Health Plan* (“*Plan*”) contains criteria and standards which an applicant is required to meet prior to receiving CON authority to establish a swing-bed program. This application is in substantial compliance with applicable criteria and standards.

##### **SHP Criterion 1 – Need**

The applicant shall document that the hospital will meet all federal regulations regarding the swing-bed concept. However, a hospital may have more licensed beds or a higher average daily census (ADC) than the maximum number specified in federal regulations for participation in the swing-bed program.

Anderson Regional Medical Center’s South Campus is a short term acute care hospital, licensed for 120 acute care beds and 20 rehabilitation beds. The applicant submits that currently the facility is setup and staffed for 70 beds (50 acute care beds and 20 rehabilitation beds). Additionally, the applicant states that the acute care beds at the South Campus are underutilized and the swing-bed concept will reduce underutilization of the acute care beds and that will increase efficiencies in hospital operations.

The applicant indicates that the CMS State Operations Provider Certification manual (CMS-Pub. 100-07), Section 1883 of the Act, authorizes payment under Medicare for post-hospital skilled nursing facility services provided by hospitals that meets certain requirements. By regulation, a hospital should have a Medicare Provider Agreement and the facility should have fewer than 100 hospital beds, excluding beds for newborns and beds in intensive care type inpatient units. However, a hospital licensed for more than 100 beds may be eligible for swing-bed approval if it utilizes and staffs for fewer than 100-beds. The regulations further states that the hospital should not have in effect a 24-hour nursing waiver granted under 42 CRF §488.54 (c) and the hospital has not had a swing-bed approval terminated within the two years previous to application. Furthermore, the regulation states that the hospital meets the swing-bed Conditions of Participation on Resident Rights; Admission, Transfer, and Discharge Rights; Resident Behavior and Facility Discharge Planning; Specialized Rehabilitative Services; and Dental Services.

The applicant documents that Anderson Regional Medical Center has a Medicare provider agreement, its south campus, operates fewer than 100 acute care beds, and does not have in effect a 24-hour nursing waiver. Additionally, the applicant documents that Anderson Regional Medical Center’s South Campus has not had a swing-bed approval terminated within 2 years and meets the swing-bed conditions as set forth.

### **SHP Criterion 2 – Governing Board Resolution**

The application contains a copy of the Resolution by Anderson Regional Medical Center's governing board. The Resolution documents that the governing board approves the submission of the application for the proposed project.

### **SHP Criterion 3 – Staffing of Excess Beds**

Currently, Anderson South is licensed for 140-beds, including 20-rehabilitation beds; however, only 50 acute care beds and 20 rehabilitation beds are setup and staffed. The applicant asserts that Anderson South operates fewer than one hundred beds (100) and its ADC in 2011 was thirty-six (36) patients per day. The applicant further asserts that the guidelines indicate that designated ICU beds and other distinct part units i.e. rehabilitation beds are not included in the determination of operating beds. Furthermore, they intend to operate only 49 short-term acute care beds upon approval of the proposed project, by de-licensing 71 acute care beds and placing them in abeyance. As a result, the applicant believes that the south campus is in compliance with this swing-bed requirement.

### **SHP Criterion 4 – Non-Eligible Patients**

The applicant affirms that upon receiving CON approval and upon meeting all federal requirements for participation in the swing-bed program, Anderson Regional Medical Center's South Campus shall render services provided under the swing-bed concept to any patient eligible for Medicare (Title XVII of the Social Security Act) who is certified by a physician to need such services.

### **SHP Criterion 5 – Patient Eligibility**

The applicant affirms that upon receiving CON approval and upon meeting all federal requirement for participation in the swing-bed program, Anderson Regional Medical Center will not permit any patient who is eligible for both Medicaid and Medicare or is eligible only for Medicaid to stay in the swing-beds of a hospital for more than 30 days per admission unless the hospital receives prior approval for said patient from the Division of Medicaid.

### **SHP Criterion 6 – Excess Beds**

The applicant affirms that upon receiving CON approval and certification to provide swing bed services, Anderson Regional Medical Center will ensure that, before a patient is allowed to stay in a swing-bed, there are no appropriate vacant nursing home beds available for that patient within a 50-mile radius (geographic area) of the hospital. Additionally, the applicant affirms that if the hospital has a patient staying in the swing-beds of the hospital and the hospital receives notice from a nursing home located within a 50-mile radius that there is a vacant bed available and appropriate

for that patient, the hospital shall transfer the swing-bed patient to the nursing home within five days, exclusive of holidays and weekends, unless the patient's physician certifies that the transfer is not medically appropriate.

#### **SHP Criterion 7 – Transfer Agreement**

The application contains transfer agreements between the applicant and local nursing facilities in the applicant's geographic area.

#### **SHP Criterion 8 – Suspension for Failure to Comply**

Anderson Regional Medical Center affirms that it will be subject to suspension from participation in the swing-bed program for a reasonable period of time by the Department of Health if the Department, after a hearing complying with due process, determines that the South Campus has failed to comply with any of the aforementioned requirements.

### **B. General Review (GR) Criteria**

Chapter 8 of the *Mississippi Certificate of Need Review Manual, September 1, 2011, Revision*, addresses general criteria by which all CON applications are reviewed. This application is in substantial compliance with general review criteria.

#### **GR Criterion 1 – Consistency with the *State Health Plan***

The application submitted by Anderson Regional Medical Center for the establishment of swing-bed services is consistent with the *FY 2012 State Health Plan*.

#### **GR Criterion 2 - Long Range Plan**

The applicant states that Anderson Regional Medical Center's long range plans are to provide appropriate services for the patients and medical staff as conveniently as possible with effectiveness and appropriate allocation of health care manpower and resources. Therefore, the applicant believes that this project coincides with its long range plan.

#### **GR Criterion 3 – Availability of Alternatives**

The applicant submits that they considered not making any changes and continue to utilize all of the beds at the South Campus as acute care beds. However, this alternative was rejected because of the decreasing utilization of the acute care bed and other expenses associated with operating in the current state.

The applicant states that although nursing home facilities are available in the area, the types of patients in the hospital require different sub-acute care services than are

typically available in a community based nursing home. The applicant further states that the hospital based setting permits ready access to medical staff and closer monitoring following hospitalization and treatments for an acute condition.

The applicant believes that this project, as proposed, is the most appropriate alternative because it allows for more efficient utilization of existing space and manpower. Furthermore, it will allow the patients coming out of acute care hospitalization to a lower level intensity of care to have access and be monitored by personnel who are already familiar with their individual needs and preferences. This process will decrease the patients' recovery time while waiting on appropriate community accommodations to be arranged.

According to the applicant, the option selected benefits the health care system because it is more cost effective. The offering of swing bed services and not the establishment of a dedicated long-term care unit prevents the unnecessary duplication of staff and reduce the risk of underutilization associated with a dedicated unit. Consequently, the swing bed concept will allow the beds to be dually utilized as acute care beds and long term care beds without any renovation, construction or other capital expenditure.

The applicant states that the proposed project is not an unnecessary duplication of services since swing-bed services do not presently exist at any of Anderson Regional Medical Center's facilities. The applicant contends that providing hospital-based skilled nursing facility (SNF) care for patients for a short time, immediately following discharge from the hospital, provides a continuity of care in a familiar surrounding for the patient and their family.

As previously stated, the applicant contends that the swing-bed concept will increase the utilization of acute care beds and in turn, increase efficiencies in hospital operations. According to the applicant, the patient will be placed in the swing-bed category at the direction of their physician and other doctor(s) will determine when community placement or discharge is appropriate. Additionally, the hospital-based service will minimize overlapping of services provided in a community based setting.

Anderson Regional Medical Center asserts that the proposed project is the most cost effective approach because the patients will remain in the same hospital bed until transferred to a community-based facility or another appropriate destination. Additionally, the applicant states that no additional funds will be required from Medicare based on the Balanced Budget Act (BBA) of 1997. The applicant indicates that swing bed facilities are incorporated into the skilled nursing facility prospective payment system under the balanced budget act of 1997. The applicant further states that the project is designed to reduce the number of "readmissions" following discharge and hence, will reduce the costs to the Medicare and Medicaid programs.

**GR Criterion 4 - Economic Viability**

According to the applicant the proposed charges will be similar to those charged by other providers statewide and no new fees will be required by Medicare and Medicaid. The applicant documents that under the Balanced Budget Act of 1997, swing bed facilities are incorporated into the skilled nursing facility prospective payment system. The applicant submits that the proposed projected level of utilization is consistent with the service area and statewide need.

As previously stated, there is no capital expenditure associated with the project and based on the projections of the proposed income statement the project will sustain a “short fall” for the first three consecutive years. The applicant indicates that ARMC intends to cover any “short fall” in the projected revenues from its reserve funds, and other services provided at the facility will offset any “short fall”. Furthermore, the applicant believes that the proposed project should have a positive impact on the cost of healthcare; and should increase the gross revenue of the facility; yet, have a minimal effect on expenses.

**GR Criterion 5 - Need for the Project**

- a. **Access by Population Served:** The applicant affirms that the services will be available to all residents of the service area, including low income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups.
- b. **Relocation of Services:** This application does not propose the relocation of any services.
- c. **Current and Projected Utilization of Like Facilities in the Area:** According to the *FY 2012 State Health Plan* there are six facilities in the applicant’s service area, providing swing-bed services (see table below).

FACILITY	LICENSED BEDS	DISCHARGES	ALOS	*ADC
Alliance-Laird Hospital	25	162	11.74	5.35
H.C. Watkins Memorial Hospital	25	229	17.35	11.41
Neshoba County General Hospital	10	171	12.46	5.47
Pioneer Community Hospital-Newton	21	100	12.57	3.52
Specialty Hospital of Meridian	20	67	16.33	2.70
Wayne General Hospital	10	192	17.62	9.28
<b>GHSA 6</b>	<b>111</b>	<b>921</b>	<b>14.92</b>	<b>37.73</b>

\*ADC – Average Daily Census

According to the applicant they are unable to determine the projected levels of swing bed utilization for existing facilities in GHSA 6. However, based on the 25 swing beds proposed in this application, Anderson Regional Medical Center projects an ALOS of 14.92, 23 for its ADC, and an occupancy rate of 92% for the first three years following completion of the project. The applicant asserts that a study was conducted by ARMC's accounting department utilizing data generated by the hospital's social services department. The Social Services Department reviewed historical discharged data from the north and south campuses to determine which patients would be eligible for "swing-bed" services. The data revealed that on an annual basis 480 patients would benefit from "swing-bed" services and 83 potential patients from its West Alabama facilities. Additionally, the applicant attributes its 92% occupancy rate to the fact that current providers of swing bed services in GHSA 6 utilize a "Physician Medical Director Model" which a patient is transferred from its admitting physician to a medical director for care at a rural critical access hospital. But, ARMC's unique "Concept of Care" allows the patients to continue care by their admitting physician. Therefore, the applicant believes that the combination of additional patients from its north campus and the utilization of the unique "Anderson Swing Bed Concept" corroborates with the projected occupancy rate of 92%.

- d. **Probable Effect on Existing Facilities in the Area:** The project proposes to convert 25 acute care beds at Anderson Regional Medical Center South to "swing bed" services. The applicant indicates that the proposed project will contribute to the continuation and improvement of the existing health care system. The project will allow the south campus to provide SNF level of services in a manner that will improve operational efficiencies and increase utilization of the facility.

The applicant alleges that the proposed project will not have an adverse impact on the existing facilities because the patients will be followed by their admitting physicians instead of a Medical Director. Additionally, the applicant asserts that their physician does not have admitting privileges at other facilities.

- e. **Community Reaction:** The application contains four letters of support for the project from local citizens. The endorsement letters express how the proposed project will have a positive effect on the length of stay at the facility and enhance the quality of care for the patients in the community.

One letter of opposition was submitted to the Department regarding the proposed project.



**GR Criterion 6 - Access to the Facility or Service**

- a. **Medically Underserved Population:** Anderson Regional Medical Center submits that the medically underserved populations have access to the services at the hospital and will have full access to the swing beds proposed herein.

The applicant provided the following dollar amount and percentage of care to medically indigent and charity care patients for the last nine months and projections for the two years following completion of the proposed project.

Fiscal Year	Medically Indigent/Charity Care Patients	Percent of Gross Revenue
*2011 (9 months)	\$2,639,694	3.1%
Projected Year 1	\$3,041,947	3.0%
Projected Year 2	\$3,041,947	3.0%

\*ARMC purchased its South Campus, formerly known as Riley Hospital on January 1, 2011. Therefore, data is only available from January 1, 2011 through September 30, 2011.

- b. **Performance in Meeting Federal Obligations:** The applicant submits that Anderson Regional Medical Center has no obligations under any federal regulations regarding uncompensated care, community service, or access by minority/handicapped persons.
- c. **Unmet Needs to be Served by Applicant:** Anderson Regional Medical Center states that Medicare, Medicaid, and medically indigent patients will have access to the 25 swing-beds at its south campus facility.
- d. The applicant submits that the hospital operates 24 hours per day and 7 days per week. Also, swing-bed services will be provided as needed for patients on a 24 hour per day and 7 days a week basis. The swing beds will be accessible to all patients requiring the services as they are discharged from the acute care setting.

**GR Criterion 7 - Information Requirement**

The applicant affirms that it will record and maintain the information required by this criterion and make it available to the Mississippi Department of Health within 15 business days of request.

### **GR Criterion 8 - Relationship to Existing Health Care System**

Currently, there are six facilities in GHSA 6 providing swing-bed services (Alliance-Laird Hospital, H.C. Watkins Memorial Hospital, Neshoba County General Hospital, Pioneer Community Hospital-Newton, Specialty Hospital of Meridian, and Wayne General Hospital) in the applicant's defined service area.

The applicant provided excerpts from a study conducted by Medpac in June of 2007 identifying the differences in hospital and freestanding SNFs patients. The study suggests that inpatients that go on to use hospital-based SNFs differ slightly from those who go on to use freestanding SNFs. According to the study the average beneficiaries using hospital-based SNFs tend to be slightly younger and have lower severity-of-illness (SOI) scores as measured by all patients refined DRGs for the inpatient care preceding their SNF stay. Additionally, the study states that although relative SOI scores are lower, the share of inpatient hospital days spent in an intensive care unit before the SNF stay is higher for patients discharged to hospital-based SNFs. The study goes on to say that hospital-based SNFs also see a higher concentration of certain types of patients. For example, 27 percent of hospital-based SNF patients had been treated in the hospital for musculoskeletal conditions, such as hip and knee replacements, compare with 18 percent of patients in freestanding SNFs. For this reason, the applicant does not anticipate an adverse impact on existing providers of swing-beds services in GHSA 6.

The applicant believes that this project will complement the existing healthcare services available to their patients, allow for the provision of SNF services, and reduce underutilization of its south campus. Furthermore, the patients will benefit from additional inpatient care without the necessity of being transferred to another hospital. The applicant contends that if this project is not implemented, the result will have an adverse impact on the health care system. Consequently, the patients would receive early discharge, which could lead to readmission. Readmission could be very costly to the payors, i.e. Medicare, Medicaid, according to the applicant.

### **GR Criterion 9 - Availability of Resources**

The applicant states that no new personnel are required to staff the proposed project; however, of the employees currently assigned to the south campus, 2.5 FTE's will be reassigned to the swing bed unit, upon approval of the proposed project. Also the applicant indicates that they have a clinically related service contract with RehabCare for the operation of a 20-bed rehabilitation unit. The applicant asserts that Anderson has demonstrated a satisfactory staffing history, as evidenced by its continual license by the MSDH and accredited by The Joint Commission on Accreditation since formation.

**GR Criterion 10 – Relationship to Ancillary or Support Services**

The applicant states that any additional support or ancillary services needed as a result of the proposed project are available at Anderson South Campus through existing staff and resources. Furthermore, the applicant does not anticipate any changes in cost or charges as a result of the proposed project.

**GR Criterion 11 – Health Professional Training Programs**

The applicant asserts that no health professional training programs are associated with this project.

**GR Criterion 12 – Access by Health Professional Schools**

As previously stated, the applicant asserts that no health professional training programs are associated with this project.

**GR Criterion 13 – Special Needs and Circumstances**

The applicant documents that it anticipates that all proposed services will be provided to residents residing in Anderson Regional Medical Center’s service area.

**GR Criterion 14 - Construction Projects**

The applicant asserts that this project will require no new construction.

**GR Criterion 15 - Competing Application**

This application is for “swing-bed” services at an existing facility; therefore, there are no competing applications.

**GR Criterion 16 - Quality of Care**

The applicant states that Anderson Regional Medical Center is licensed by the MSDH, and certified by the Centers for Medicare and Medicaid Services (CMS). Furthermore, Anderson’s historical high quality of care to its patients is apparent by its accreditation by the Joint Commission on Accreditation of Health Care Organizations. Moreover, the applicant believes that by allowing a patient to remain in the same hospital bed without the necessity of transfer to another facility for continued care will enhance the quality of care for the patient and provide convenience for their family.

**IV. FINANCIAL FEASIBILITY**

**A. Capital Expenditure Summary**

As previously stated, the implementation of this project will require no capital expenditure.

**B. Method of Financing**

The completion of this project will require no financing.

**C. Effect on Operating Cost**

The applicant projects gross revenues of \$29,731,023, the first year of operation and \$32,941,898, the second, and third year of operation; and expenses of \$35,250,677, \$37,753,128, and \$37,753,128. Also, net income for the first three years of operation is as follows: \$(5,519,654), \$(4,811,230), and \$(4,811,230). Utilization, cost, and charges are included in the applicant's Three-Year Projected Operating Statement (See Attachment 1).

**D. Cost to Medicaid/Medicare**

Based on the applicant's projections, the cost to third party payors the first year of operation is as follows:

<b>Patient Mix by Type Payer</b>	<b>Utilization Percentage</b>	<b>First Year Revenue</b>
Medicaid	21%	\$ 20,901,021
Medicare	46%	46,576,646
Commercial	28%	28,695,798
Self Pay	2%	2,483,801
Charity Care	3%	3,041,947
Other	0%	66,667
<b>Total</b>	<b>100%</b>	<b>\$101,765,880</b>

**V. RECOMMENDATIONS OF OTHER AFFECTED AGENCIES**

The Division of Medicaid estimates that approval of this application will increase annual cost to Medicaid by \$535,075. The Division of Medicaid opposes this project.

## **VI. CONCLUSION AND RECOMMENDATION**

This project is in substantial compliance with the criteria and standards for the establishment of swing bed services as contained in the *FY 2012 State Health Plan*; Chapter 8 of the *Mississippi Certificate of Need Review Manual, September 1, 2011*; and all duly adopted rules, procedures and plans of the Mississippi State Department of Health.

Therefore, the Division of Health Planning and Resource Development recommends approval of this application submitted by Anderson Regional Medical Center (South Campus) for the establishment of "swing bed" services.

**Attachment 1**

Anderson Regional Medical Center Three-Year Operating Statement (With Project)			
	Year 1	Year 2	Year 3
<b>Revenue</b>			
Patient Revenue:			
Inpatient	\$ 43,816,256	\$ 49,762,714	\$ 49,762,714
Outpatient	57,949,624	57,949,624	57,949,624
<b>Total Gross Patient Revenue</b>	<b><u>\$101,765,880</u></b>	<b><u>\$107,712,338</u></b>	<b><u>\$107,712,338</u></b>
Charity Care	\$ 3,041,947	\$ 3,517,947	\$ 3,517,947
Deductions from Revenue	69,644,435	71,904,018	71,904,018
<b>Net Patient Care Revenue</b>	<b><u>\$ 29,079,498</u></b>	<b><u>\$ 32,290,373</u></b>	<b><u>\$ 32,290,373</u></b>
Other Operating Revenue	\$ 651,525	\$ 651,525	\$ 651,525
<b>Total Operating Revenue</b>	<b><u>\$ 29,731,023</u></b>	<b><u>\$ 32,941,898</u></b>	<b><u>\$ 32,941,898</u></b>
<b>Expenses</b>			
Operating Expenses:			
Salaries	\$ 11,002,290	\$ 11,612,818	\$ 11,612,818
Benefits	2,018,587	2,189,535	2,189,535
Supplies	6,164,695	6,626,420	6,626,420
Services	7,130,170	8,389,420	8,389,420
Lease	0	0	0
Depreciation	3,352,777	3,352,777	3,352,777
Interest	0	0	0
Other	5,582,158	5,582,158	5,582,158
<b>Total Expenses</b>	<b><u>\$ 35,250,677</u></b>	<b><u>\$ 37,753,128</u></b>	<b><u>\$ 37,753,128</u></b>
<b>Net Income (Loss)</b>	<b><u>\$ (5,519,654)</u></b>	<b><u>\$ (4,811,230)</u></b>	<b><u>\$ (4,811,230)</u></b>
<b>Assumptions</b>			
Inpatient Days	11,851	11,851	11,851
Outpatient Visits	27,525	27,525	27,525
Procedures	293,455	293,455	293,455
Charge per outpatient day	\$ 2,105	\$ 2,105	\$ 2,105
Charge per inpatient day	\$ 3,697	\$ 4,199	\$ 4,199
Charge per procedure	\$ 347	\$ 367	\$ 367
Cost per inpatient day	\$ 2,974	\$ 3,186	\$ 3,186
Cost per outpatient day	\$ 1,281	\$ 1,372	\$ 1,372
Cost per procedure	\$ 120	\$ 129	\$ 129