



August 15, 2025

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VIA ELECTRONIC MAIL

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RE: Response to Notice of Non-Compliance with Approval Conditions
006 Adventist-MCMC | Public Version

Dear Sarah:

I am sending this letter and the attached documentation in response to the Notice of Deficiencies and Opportunity to Cure that you sent to me on July 17, 2025. You noted four, specific failures in the notice. They are characterized as follows: (1) “Untimely Submission,” (2) “Insufficient Detail,” (3) “[Insufficient] Supporting Documentation,” and (4) “[Insufficient Information and Documentation About the Health System’s] Expenditures [Under the Capital Investment Plan].” I address each of these deficiencies below.

Failure to Comply #1: Untimely Submission

Adventist Health System/West (“Adventist Health”) and Mid-Columbia Medical Center d/b/a Adventist Health Columbia Gorge (“AHCG”) apologize for failing to meet the extended filing deadline of June 23, 2025. We will endeavor to be more timely in the future. Please know that this tardiness is due to unexpected staff vacations and other administrative challenges, and is not intended in any way to suggest that the parties take lightly their responsibility to submit timely, accurate, and helpful responses to the HCMO division.

Failure to Comply #2: Insufficient Detail

While Adventist Health and AHCG want to provide to the HCMO division the type of “detailed narrative” contemplated by Condition 2(m) of the Order, I would respectfully contend that some of the conditions do not lend themselves to much more than “yes/no,” “true/false,” or “do comply/do not comply” responses. For example, Condition 2(a) asks the parties to indicate whether or not they have modified the Affiliation Agreement since the closing. The answer to this question

is no. I think similarly brief answers may be all that can be provided in response to the conditions referenced in the table below.

Condition Reference	Paraphrase of Question Posed by Condition	Answer to Question
Condition 2(b)	Except as otherwise permitted by the Order, has Adventist Health received the benefit of distributions or funding from AHCG?	No
Condition 2(f)	Has AHCG maintained its participation in all public health insurance programs in which it was a participant at closing?	Yes
Condition 2(g)	When did AHCG restore medical oncology services at Celilo Cancer Center, with provider coverage at least three days per week?	May 6, 2024
Condition 2(i)	Has there any emergency caused by the unplanned departure of providers that resulted in a material reduction of those facilities, services, or programs of AHCG that are highlighted in the Order?	No
Condition 2(k)	Has the Capital Investment Plan been modified since its submission to OHA on May 13, 2025?	No
Condition 2(l)	Has the Urgent Capital Plan been modified since its submission to OHA on May 6, 2024?	No

Additional details about the parties' responses to the remaining conditions in the Order are set forth below.

Condition 2(c)

During FY 2024, the parties continued to operate AHCG as a licensed general hospital, and used commercially reasonable efforts to maintain the listed services at or above the prevailing service levels at the time of the closing.¹ As noted in the parties' Year 1 Compliance Report, the systems and metrics used by Mid-Columbia Medical Center ("MCMC") to track utilization rates, FTE counts, and other statistics prior to the closing of the transaction are different from the systems and metrics used by Adventist Health and AHCG to track these same statistics.² Variations and inconsistencies in year-to-year data are therefore unavoidable. Subject to that caveat, a multi-tabbed spreadsheet showing AHCG's payment amounts, patient counts, and other statistics is attached hereto as **Exhibit A**. It is worth adding, with respect to Condition 2(c)(v) and (vi), that

¹ AHCG has recently applied to become a critical access hospital. The hospital's application was submitted after the close of FY 2024 and, therefore, has no effect on this Year 2 compliance report. However, if granted, the hospital's critical access hospital status could affect future compliance reports.

² The transaction closed on June 1, 2023. The parties' fiscal year is the same as the calendar year.

there has been a pharmacist on call 24/7 to staff the pharmacy, and on-site or in-house staffing 24/7 for laboratory and radiology services, at all times relevant to this response.

Condition 2(d)

During FY 2024, the parties used commercially reasonable efforts to operate and maintain MCMC facilities, services, and programs at or above the prevailing service levels at the time of the closing. This representation extends to the essential healthcare services identified in Condition 2(d) of the Order. It is worth pointing out that the number of clinic visits hosted by AHCG's family medicine service rose to 20,695 in FY 2024 from 17,381 in FY 2023. *See Exh. A*, "Patient Counts by Service Area" tab, lines 53-54. Year-to-year visits to the Columbia River Women's Center declined slightly in FY 2024. *Id.*, lines 23-24. But increases in visits to other clinics more than made up for this downturn.³

Condition 2(e)

During FY 2024, the parties used commercially reasonable efforts to maintain reproductive health care services, gender-affirming care services, and end-of-life services at the same levels as they were being offered by MCMC as of the closing date. However, it must be acknowledged that MCMC never or rarely provided some of these services. For example, MCMC has never offered elective/scheduled abortions, referring patients to clinics that specialized in providing this service. Likewise, MCMC has always referred out patients seeking gender-assignment surgeries or administrations of lethal medication under Oregon's Death With Dignity Act.⁴

Condition 2(h)

During FY 2024, the parties did not significantly reduce, restrict, or terminate the facilities, services, or programs contemplated by Conditions 2(c) through 2(g) of the Order. Data appearing in the attached exhibits attests to the success of the parties' efforts to maintain such services at or above the levels offered by MCMC at the time of closing. However, there are three caveats that the parties want to bring to OHA's attention. First, AHCG closed its inpatient rehabilitation service FY 2022, thereby reducing the number of rehabilitation patients it serves. Second, AHCG promoted its sole occupational medicine physician, Dr. Jayant Eldurkar, from his position as a full-time clinician to the position of Chief Medical Officer for AHCG in FY 2024. The result of this transition has been overwhelmingly positive for the hospital, but it did cause the hospital's occupational medicine revenues and patient counts to taper off.⁵ Finally, AHCG has proposed

³ AHCG has not been able to generate accurate data about the amount of payments it has received for treating patients who are dually eligible for Medicare and Medicaid. Accordingly, no dollar amounts have been filled into the blanks in this column of the "Payment Amounts by Payor" tab in Exhibit A.

⁴ Subject to limited exceptions, AHCG has continued to operate under the patient care policies and procedures that were in effect at MCMC at the time of closing. In contrast, it has adopted most of the financial and business policies and procedures promulgated by Adventist Health.

⁵ Occupational medicine services are offered at AHCG's neighboring hospital, Providence's Hood River Memorial Hospital. *See* <https://www.providence.org/locations/or/hood-river-memorial-hospital/occupational-and-travel->

converting two of its ob/gyn inpatient beds to swing beds as part of the hospital's overarching effort to become a critical access hospital. As of the date of this response, AHCG is still waiting to hear whether or not this bed conversion will be necessary or permitted.

Condition 2(j)

During FY 2024, Adventist Health continued to make good on its commitment to invest \$100 million in AHCG (the "Capital Investment"). The parties have budgeted for more than \$7.5 million of this Capital Investment to be spent on AHCG's Urgent Capital Needs. *See Exhibit B*, "Urgent Capital 2023-2024" tab. A sizeable portion of this allocation was paid out in FY 2023 and FY 2024. But actual expenditures continue to lag behind budgeted expenditures due to project delays, changes in project scopes, and other unexpected speedbumps. In FY 2025 and future years, the parties will endeavor to improve the outflow of funds for Urgent Capital Needs, and to reduce the portion of the Capital Investment dedicated to shoring up AHCG's operating losses.

Condition 2(m)

This supplemental report is intended to satisfy the parties' obligation under Condition 2(m) to submit to the OHA for FY 2024 (i.e., the first full year that AHCG has been a part of Adventist Health) "information demonstrating compliance with [the] approval Conditions, including detailed narrative and supporting documentation, as applicable, to address each Condition." Exhibit B is intended specifically to satisfy the parties' obligation under Condition 2(m)(ii) to submit "a non-binding reporting of expenditures (current and planned) under the Capital Investment Plan.

It is important to acknowledge that many expenditure numbers in Exhibit B do not line up perfectly with the budget numbers that were earlier submitted by the parties to the OHA. There are several reasons for this disconnect. First, as noted above, MCMC used different metrics and financial definitions than Adventist Health and AHCG currently use.⁶ For example, MCMC did not consider any expenditure of less than \$3,000 to be a capital expenditure. Adventist Health does not consider any expenditure of less than \$5,000 to be a capital expenditure. Expenditures of \$3,001 to \$5,000 therefore would have appeared in MCMC capital budgets, but do not appear in Adventist Health budgets.

Second, some remodeling projects proposed by MCMC were deemed by Adventist Health not to constitute capital projects under the system's definitions. These projects were expensed in FY 2023 and 2024, and were recorded in the hospital's profit and loss reports for those years.

[medicine](#). Note, too, that AHCG moved its ENT and occupational medicine services to the Water's Edge Medical Center in FY 2024. As a result, the patient counts for these services for portions of the year are included in the Water's Edge Medical Center patient counts. *See* Exh. A., "Patient Counts by Payor" tab, lines 37, 42, and 57.

⁶ AHCG converted from the Infor financial accounting system used by MCMC to the Oracle financial accounting system used by Adventist Health on April 1, 2024.

Finally, some projects and purchases simply did not go as planned or budgeted. For example, AHCG budgeted \$200,000 for two instrument washers. This equipment ended up costing \$216,980. Similarly, the hospital budgeted \$1,000,000 for a pharmacy remodeling project. Because of some unexpected challenges and delays, only \$52,000 of that amount was spent in FY 2024. The project was then completely reenvisioned, leading to the creation of a new project budget that may exceed \$2,000,000 when all is said and done.

Failure to Comply #3: Insufficient Supporting Documentation

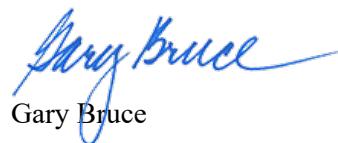
Some of the documentation needed to support Adventist Health's and AHCG's attestations of compliance are referenced above in the parties' response to Failure to Comply #2: Insufficient Detail. Additional supporting documentation—specifically, AHCG's year-end financial statement for FY 2024—is attached as **Exhibit C**.

Failure to Comply #4: Insufficient Information and Documentation About the Health System's Expenditures Under the Capital Investment Plan

The spreadsheet attached as Exhibit B provides both high-level and granular detail about the health system's expenditures under the capital investment plan. The first tab of the spreadsheet, titled, "Capital Plan Summary," indicates that Adventist Health spent \$23,207,545 offsetting AHCG's operating losses in FY 2024. It shows that the health system spent another \$2,122,663 on Urgent Capital Needs. When combined with the investments made in FY 2023 and so far in FY 2025, the FY 2024 expenditures bring the total amount of the Capital Investment disbursed since the closing to over \$60,000,000.

Please let me know if any additional information or documentation is needed in connection with AHCG's Year 2 compliance report. We hope this supplemental response helps assure the OHA that the parties are complying fully with the letter and spirit of the conditions set forth in the Order. We hope that it also demonstrates the firm commitment and steady progress that the parties have made in securing better healthcare access, quality, affordability, and equity for people living in AHCG's service area.

Sincerely,



Gary Bruce

cc: Kyle King, Adventist Health System/West (kingk2@ah.org)
Wendy Apland, Adventist Health System/West (aplandwh@ah.org)
Karine Gialella, Oregon Department of Justice (karine.gialella@doj.oregon.gov)
HCMO Staff (hcmo.info@odhsoha.oregon.gov)

EXHIBIT A

AHCG FY 2024 Hospital Data

Payments

Payment amounts for AHCG by payor in FY 2024

Facility	Median payment amounts			Total Payments							Charity Care	
	Median payment per visit	Median <u>patient paid amount</u> per visit	Median payment per patient	Total Payments for patients with Medicare	Total Payments for patients with Medicaid	Total Payments for dual Medicare/Medicaid Patients	Total Payments for patients with Commercial	Total Payments for uninsured patients	Total payments for patients with other coverage	Total Payments	Median payment amount	Total Charity Care
All AHCG Practices and Locations												
2021	\$											

0o6-Adventist-MCMC Response to Notice of Noncompliance Public Version HCMO 003		Number of patients served					
Facility	Total number of unique patients served	Count of Medicaid patients (excluding Duals)	Count of Medicare patients (excluding Duals)	Count of dual Medicaid/ Medicare patients	Count of Commercial patients	Count of Self- Pay patients	Count of other patients
All MCMC Practices and Locations							
2021	33536	17471	21630	335	13542	5492	13731
2022	32101	17117	20050	262	12310	5328	13185
2023	31429	16009	18309	235	11620	4482	15047
2024	31915	9237	7688		6130	3584	11028
Main Hospital							
2021	23473	6102	6496	132	4479	2964	3300
2022	22762	6189	6130	103	4054	2984	3302
2023	21204	5912	5650	104	3677	2292	3569
2024	22000	6241	5445		3826	2516	7640
Celilo Cancer Center:							
2021	1620	177	922	18	201	59	243
2022	1420	145	798	9	189	37	242
2023	1229	126	665	5	157	30	246
2024	1366	168	674		162	21	455
Columbia River Women's Center:							
2021	2698	804	255	3	708	252	676
2022	2704	866	275	3	701	242	617
2023	2627	838	264	4	675	186	660
2024	2484	802	263		624	134	885
Surgical Center:							
2021	10294	1916	3686	29	1822	326	2515
2022	9194	1633	3414	25	1561	315	2246
2023	9020	838	3076	17	1493	201	3395
2024	7728	1467	2564		1218	137	2734
Columbia Gorge Urology							
2021	1914	204	1005	12	284	40	369
2022	1852	204	1001	7	271	42	327
2023	1898	182	995	5	262	37	417
2024	1730	157	928		220	28	519
Occupational Medicine:							
2021	338	2	0	0	8	19	309
2022	286	4	1	0	7	9	265
2023	130	0	1	0	2	0	127
2024	7	1	0		0	1	7
Columbia Gorge ENT and Allergy:							
2021	1157	259	391	3	206	24	274
2022	1471	316	484	4	271	11	385
2023	1413	330	435	5	254	27	362
2024	59	22	13		13	1	15
Columbia Gorge Medical Clinic 310004							
2021	4183	1995	579		723	200	686
2022	3863	1931	389	5	694	168	676
2023	3142	1674	217	8	524	130	589
2024	2849	1623	59		494	122	822
MCMC Family Medicine:							
2021	6623	1964	1220	11	1421	490	1517
2022	5640	1725	1088	5	1150	442	1230
2023	6073	1905	1025	8	1237	547	1351
2024	6856	2118	1072		1383	373	2609
Water's Edge Medical Center:							
2021	15826	3289	5385	104	2970	1009	3069
2022	15424	3515	4977	86	2785	982	3079
2023	15937	3746	4724	69	2831	958	3609
2024	17650	4207	4884		3193	854	6173
Visiting Health Services							
2021	Home Health						
2022							
2023							
2024							
MCMC Specialty Clinics at Nichols Landing:							
2021	4075	759	1691	23	720	109	773
2022	3636	589	1493	15	627	96	816
2023	3029	458	1257	10	508	74	722
2024	2375	354	1026		336	46	742

Patient Demographics

Demographic information about the patients served by AHCG in FY 2024. (Note: Some data in this table is self-reported. Thus, a single patient may, for example, self-identify as being a member of more than one race category.)

	All MCMC practices and locations				Inpatient				Emergency Department				Other Outpatient			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Sex																
Female	17775	17051	16600	16826	5580	5747	5667	6046	4171	4557	4280	4526	17176	16640	16042	16821
Male	15760	15050	14829	15089	5142	5172	5147	5508	4108	4496	4153	4369	14852	14300	13965	15067
Other																
Unknown	1												1			
Age group at the time of last service																
0-18	5686	5648	5553	5743	1115	1344	1351	1400	1281	1611	1587	1596	5438	5354	5169	5738
19-24	1727	1569	1537	1638	603	553	508	597	625	598	554	638	1581	1463	1395	1635
25-34	3531	3273	3091	3275	1135	1151	1108	1254	1071	1089	1053	1141	3259	3074	2881	3268
35-44	3726	3505	3442	3682	1122	1140	1166	1231	950	1100	1027	1082	3481	3306	3224	3680
45-54	3649	3533	3374	3600	1190	1195	1251	1408	846	889	814	918	3464	3418	3229	3599
55-64	5181	4704	4448	4425	1733	1647	1616	1667	1116	1111	999	1035	4992	4593	4309	4424
65+	10036	9869	9984	10230	3824	3889	3814	4108	2390	2655	2399	2555	9814	9732	9800	10222
Unknown																
Race (Count individuals in each race category they report)																
American Indian or Alaska Native	792	775	761	808	335	329	343	357	296	321	324	345	296	714	704	807
Asian	303	295	278	332	75	87	86	102	58	66	70	77	293	286	261	331
Black or African American	209	228	218	251	68	69	80	103	70	73	83	99	199	209	205	251
Hispanic or Latino*	3815	3733	3651	4515	149	146	155	1650	1059	1278	1288	1532	1162	1049	1074	4510
Native Hawaiian or Pacific Islander	298	315	283	267	105	138	115	94	98	145	107	101	283	291	250	267
White	31217	29693	29492	29836	10006	10172	10134	10753	7613	8324	7813	8138	29867	28687	28214	29814
Unreported	1313	1286	943	965	384	384	256	336	341	355	192	287	1225	1210	901	964
Language Service Needs																
Did not receive interpretation or translation services	30518	29475	28858	29293	10215	10314	10198	10815	7859	8564	7954	8327	29213	28391	27603	29272
Received Spanish interpretation or translation services	1055	1067	1188	1408	344	436	466	617	354	416	438	534	945	996	1085	1404
Received other language interpretation or translation services	76	80	77	78	26	27	24	22	21	25	21	21	75	76	75	80
Unreported	1887	1479	1306	1135	137	142	126	100	45	48	20	13	1796	1477	1244	1132

* Note: OHA and Adventist data fields for this metric do not line up. Categories tracked at registration by Adventist include, "Mexican," "Mexican American," "Chicano," "Puerto Rican," "Cuban," and "Other."

Services
Patient Counts by Service Area

Facility	Number of inpatient visits/ discharges (if applicable)	Number of inpatient surgeries (if applicable)	Number of births (if applicable)	Other inpatient (if applicable)	Number of ED visits (if applicable)	Number of ambulatory surgery visits (if applicable)	Number of clinic visits (if applicable)	Number of other outpatient visits (if applicable)	Number of total outpatient visits (if applicable)
All MCMC Practices and Locations									
2021	2,019	502	212		13,198	1,520	117,109	103,494	235,321
2022	2,031	533	225		14,686	1,478	105,232	92,259	213,655
2023	1,685	472	183		13,589	1,521	101,933	80,568	197,611
2024	1,631	446	172		14,089	1,631	106,957	83,526	206,203
Main Hospital									
2021	2,019	502	212		13,198	1,520		54,109	
2022	2,031	533	225		14,686	1,478		47,593	
2023	1,685	472	183		13,589	1,521		40,965	
2024	1,631	446	172		14,089	1,631		43,196	
Celilo Cancer Center									
2021							4,243	13,044	
2022							3,979	12,609	
2023							1,978	9,661	
2024							2,792	11,482	
Columbia River Women's Center									
2021							8,813		
2022							8,313		
2023							8,101		
2024							7,592		
Surgical Center									
2021							4,039		
2022							4,324		
2023							4,138		
2024							4,815		
Columbia Gorge Urology									
2021							3,417		
2022							3,364		
2023							3,249		
2024							2,987		
Occupational Medicine									
2021							5,051		
2022							4,763		
2023							3,561		
2024							2,963		
Columbia Gorge ENT and Allergy									
2021							1,887		
2022							2,449		
2023							3,590		
2024							3,928		
Columbia Gorge Medical Clinic									
2021							10,442		
2022							9,862		
2023							8,389		
2024							9,576		
MCMC Family Medicine									
2021							19,062		
2022							16,113		
2023							17,381		
2024							20,695		
Water's Edge Medical Center									
2021							34,109	32,250	
2022							30,402	28,524	
2023							31,731	29,942	
2024							34,897	28,848	
Visiting Health Services									
2021							20,014		
2022							16,011		
2023							14,247		
2024							12,409		
MCMC Specialty Clinics at Nichols Landing									
2021							6,032	4,091	
2022							5,652	3,533	
2023							5,568	-	
2024							4,303	-	

Staffing

Staffing counts as of year end 2024

All MCMC	Dec-24							
	Number of staff	FTE			Primary Practice Location		Budget vs. Actual	
	Number of staff	Employed FTE	Contracted FTE	Unfilled/open FTE	Columbia Gorge Region FTE	Other areas FTE	Budgeted FTE	Actual FTE
Position/Category								
All Registered Nurses, Certified Registered Nurse Anesthetists, Clinical Nurse Specialists								
Travel Nurses								
Certified Nursing Assistants, Licensed Practical Nurses, Medical Assistants								
All Nurse Practitioners and Physician Assistants								
Primary Care NPs and PAs								
All Physicians (MD, DO)								
Primary Care Physicians								
Pharmacists								
Certified Pharmacy Technicians								
Medical Imaging Technologists								
Counselors, Therapists								
Licensed Clinical Social Workers, Clinical Social Work Associates, Non-clinical social workers								
Occupational Therapists, Physical Therapists, Therapy Assistants								
Respiratory Therapists, Polysomnographic Technologists								
Licensed Dieticians								
Other Technicians and Technologists								
Other Clinical								
Other Non-clinical								
TOTAL								

EXHIBIT B

Capital Plan

Adventist Health
MCMC/AHCG Capital Investment Plan - Updated 6/30/2025

Year	Item	Description/Justification	Total Price	Approved /Pending	Annual Funding
6/15/2023					
6/15/2023					
6/20/2023					
8/3/2023					
12/1/2023					
12/31/2023					
Sub-Total					
12/31/2024					
12/31/2024					
Sub-Total					
6/30/2025					
12/31/2025					
12/31/2025					
Sub-Total					
12/31/2026					
Sub-Total					
12/31/2027					
Sub-Total					
12/31/2028					
Sub-Total					
12/31/2029					
Sub-Total					
12/31/2030					
Sub-Total					
12/31/2031					
Sub-Total					
12/31/2032					
12/31/2032					
Sub-Total					

[illegible]

List of Proposed Capital Projects for 2025-2029

Adventist Health

2025 Capital Planning Process

Capital Planning Year: 2025

Grouping by: NONE

Final Filter: CPREQ2025.ENTITY.ENTITY IN (71) AND CPREQ2025.Picklist02 IN ('Picklist02_01','Picklist02_02') AND CPREQ2025.Picklist03 IN ('Picklist03_01','Picklist03_02')

Filter: Input additional filter criteria here (ex. CPREQ20xx.OrigBudgetTOT >= 5000)

Sort: Entity,DEPT,Description (asc)

		CAPREQ	Entity	Department	Project Description	2025 Requested	2026 Requested	2027 Requested	2028 Requested	2029 Requested	Total Requested
		615	71	71601001							
		612	71	71701001							
		232	71	71731001							
		227	71	71731001							
		235	71	71731007							
		230	71	71731007							
		228	71	71732001							
		233	71	71733001							
		234	71	71735001							
		231	71	71736001							
		229	71	71737001							
		236	71	71742101							
		237	71	71742101							
		238	71	71742102							
		614	71	71767002							
		611	71	71771002							
		613	71	71841003							
		610	71	71841003							
Total											

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HCMO 011

EXHIBIT C

Year-End Financial Statement for FY 2024



Finance Reporting Controllership
Volume & Income Statement Trend
AH Columbia Gorge - Dec-24

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Financial Operations Metrics		Year-to-Date			
		Actual	Budget	Variance	% of Budget
Acute					
Discharges		1,631	1,533	98	106%
Patient Days		5,815	5,996	(181)	97%
Deliveries		172	191	(19)	90%
Average Length of Stay		3.57	3.91	0.35	91%
% Observation Rate		28.6%	24.6%	4.0%	116%
Average Daily Census		15.9	16.4	0.5	97%
Deliveries		172	191	(19)	90%
Observation Cases		652	499	153	131%
Case Mix - Total		1.46	-	1.46	-
Case Mix - Medicare		1.55	-	1.55	-
Total Hospital Outpatient Visits		82,054	67,191	14,863	122%
Total Emergency Visits		14,089	14,600	(511)	97%
ED Admits		1,241	1,133	108	110%
% of ED Visits Admitted		8.8%	7.8%	(21.1%)	114%
IP - Surgical Cases		446	435	11	103%
OP - Surgical Cases		1,631	1,720	(89)	95%
IP - GI Cases		9	-	9	-
OP - GI Cases		1,564	1,442	122	108%
Total CAP Members		-	-	-	-
Other Clinic Visits		-	748	(748)	-
AHPS Clinic Visits		89,272	97,687	(8,415)	91%
RHC		70,587	80,987	(10,400)	87%
Employed Physicians		18,685	16,700	1,985	112%
Community		-	-	-	-
HBOC		-	-	-	-
AHPN		-	-	-	-
Revenue					
Inpatient		48,609,508	58,099,518	(9,490,010)	84%
Outpatient		165,636,065	169,761,389	(4,125,324)	98%
Emergency		41,571,966	42,814,062	(1,242,096)	97%
Clinic		50,890,653	46,611,246	4,279,407	109%
Other		4,862,982	2,493,224	2,369,758	195%
Gross Patient Revenue		311,571,174	319,779,438	(8,208,264)	97%
Deductions					
Inpatient		21,085,029	41,736,316	20,651,288	51%
Outpatient		107,562,654	105,794,204	(1,768,450)	102%
Emergency		28,195,570	27,423,318	772,252	103%
Clinic		29,440,224	20,494,681	(8,945,543)	144%

Other	328,672	374,580	45,908	88%
Total Deductions	186,612,149	195,823,100	9,210,951	95%
Net Patient Revenue	124,959,025	123,956,339	1,002,687	101%
	40%	39%		
Premium Revenue	2,987,468	1,751,219	1,236,249	171%
Other Revenue	4,298,504	9,000,506	(4,702,002)	48%
Net Assets Released from Restrictions for Ops	246,677	-	246,677	-
Total Operating Revenue	132,491,675	134,708,063	(2,216,388)	98%
EBIDA Expenses				
Salaries and Wages	57,861,095	55,981,404	(1,879,692)	103%
Employee Benefits	25,093,927	24,804,548	(289,379)	101%
Contract Labor	3,744,251	7,400	(3,736,851)	50,598%
Professional Fees	5,587,927	3,980,415	(1,607,512)	140%
Supplies	19,390,959	17,559,262	(1,831,697)	110%
Purchased Services	11,711,213	6,756,830	(4,954,383)	173%
Capitated Purchased Services	4,140	-	(4,140)	-
Shared Services	10,869,929	14,581,568	3,711,638	75%
Travel, Dues, and Subscriptions	740,717	971,811	231,094	76%
Leases and Rentals	4,255,381	4,078,354	(177,028)	104%
Utilities	1,224,828	1,176,659	(48,169)	104%
Insurance	568,740	1,151,979	583,239	49%
Other Expense	7,876,814	1,005,342	(6,871,472)	783%
Total EBIDA Expense	148,929,922	132,055,570	(16,874,352)	113%
EBIDA	(16,438,247)	2,652,493	(19,090,740)	(620%)
<i>EBIDA Margin</i>	<i>(12.4%)</i>	<i>2.0%</i>	<i>(14.4%)</i>	<i>-</i>
Interest Expense	1,814,912	956,241	(858,671)	190%
Depreciation and Amortization	4,954,387	3,393,880	(1,560,507)	146%
Total Expenses	155,699,221	136,405,690	(19,293,530)	114%
Operating Gain (Loss)	(23,207,545)	(1,697,627)	(21,509,918)	1,367%
<i>Operating Margin</i>	<i>(17.5%)</i>	<i>(1.3%)</i>	<i>(16.3%)</i>	<i>-</i>
Investment Income	1,107,595	185,000	922,595	599%
Gain (Loss) on Acquisitions and Divestures	(5,312,830)	-	(5,312,830)	-
Other Non-Operating Gains (Losses)	-	-	-	-
Income From Non-Controlling Interests	-	-	-	-
Net Income	(27,412,781)	(1,512,627)	(25,900,154)	1,812%
<i>Profit Margin</i>	<i>(20.7%)</i>	<i>(1.1%)</i>	<i>(19.6%)</i>	<i>-</i>
Payor Mix	Year-to-Date			
	Actual	Budget	Variance	% of Budget
Payor Mix - Discharges				
Medicare	870	753	117	116%
Medicaid	321	417	(96)	77%
Other Government	139	108	31	129%
Other Third-Party	280	242	38	116%
Uninsured	9	13	(4)	67%
Other	12	-	12	-
Payor Mix - Gross Patient Revenue				
Medicare	48.7%	47.4%	1.3%	103%
Medicaid	19.8%	20.9%	(1.2%)	94%
Other Government	4.4%	-	4.4%	-

Other Third-Party	25.3%	30.0%	(4.7%)	84%
Uninsured	1.7%	1.7%	0.1%	104%
Other	-	-	-	-

Percent of Total Operating Revenue	Actual	Budget	Variance	% of Budget
Total Operating Revenue as % of Gross	42.5%	42.1%	0.4%	101%
NPR as % of Gross Revenue	40.1%	38.8%	1.3%	103%
Salaries, Wages, Benefits & Contract Labor	65.4%	60.0%	(5.5%)	109%
Professional Fees	4.2%	3.0%	(1.3%)	143%
Supply Expense	14.6%	13.0%	(1.6%)	112%
Purchased & Shared Services	17.0%	15.8%	(1.2%)	108%
Total EBIDA Expense	112.4%	98.0%	(14.4%)	115%

Flex Analysis per WPD	Actual	Budget	Variance	% of Budget
Adjusted Patient Days	37,311	33,002	4,309	113%
Gross Patient Revenue	8,351	9,690	(1,339)	86%
Net Patient Revenue	3,349	3,756	(407)	89%
Total Operating Revenue	3,551	4,082	(531)	87%
Salaries, Wages, Benefits & Contract Labor	2,324	2,448	124	95%
Professional Fees	150	121	(29)	124%
Supplies	520	532	12	98%
Purchased & Shared Services	605	647	41	94%
Total EBIDA Expense	3,992	4,001	10	100%

Flex Analysis per Adj. Discharge	Actual	Budget	Variance	% of Budget
Adjusted Discharges	10,454	8,438	2,017	124%
Gross Patient Revenue	29,803	37,899	(8,096)	79%
Net Patient Revenue	11,953	14,691	(2,738)	81%
Total Operating Revenue	12,674	15,965	(3,292)	79%
Salaries, Wages, Benefits & Contract Labor	8,293	9,575	1,282	87%
Professional Fees	535	472	(63)	113%
Supplies	1,855	2,081	226	89%
Purchased & Shared Services	2,160	2,529	369	85%
Total EBIDA Expenses	14,246	15,651	1,405	91%

Flex Analysis per CMI Wtd Adj. Discharge	Actual	Budget	Variance	% of Budget
CMI Weighted Adjusted Discharges	15,131	11,270	3,861	134%
Gross Patient Revenue	20,592	28,374	(7,782)	73%
Net Patient Revenue	8,259	10,999	(2,740)	75%
Total Operating Revenue	8,757	11,953	(3,196)	73%
Salaries, Wages, Benefits & Contract Labor	5,730	7,169	1,439	80%
Professional Fees	369	353	(16)	105%
Supplies	1,282	1,558	276	82%
Purchased & Shared Services	1,493	1,893	401	79%
Total EBIDA Expenses	9,843	11,717	1,874	84%

Labor Metrics	Year-to-Date			
	Actual	Budget	Variance	% of Budget
Total FTE	404	617	213	66%
Productive Hours	749,429	1,091,851	342,422	69%
Non-Productive Hours	94,851	196,687	101,837	48%
Premium Hours	25,259	418	(24,841)	6,039%
Premium Dollars Excluding Contract	903,224	27,730	(875,494)	3,257%
Contract Labor	3,744,251	7,400	(3,736,851)	50,598%
Premium % of Prod Dollars (Includes CL \$)	14.0%	0.1%	(14.0%)	22,246%
Overtime % of Total Paid Hours	3.0%	-	(3.0%)	9,216%
Productive Hours per WPD	20.1	33.1	13.0	61%
Paid Average Hrly Rate	99.71	62.68	(37.03)	159%
Productive Average Hrly Rate	44.25	51.08	6.82	87%

Premium Average Hrly Rate	183.99	83.99	(100.00)	219%
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Flex Analysis per Supplies	Actual	Budget	Variance	% of Budget
Supplies	19,390,959	17,559,262	(1,831,697)	110%
Supplies per CMI Adjusted Discharges	1,282	1,558	276	82%
Net Patient Revenue	15.5%	14.2%	(1.4%)	110%
Surgical Services Supplies	3,346,349	2,083,171	(1,263,178)	161%
Total Surgery Cases	2,077	2,155	(78)	96%
Surgical Supply per Surgery	1,611	966	16,106	167%
Pharmaceutical Supplies	9,767,420	8,774,184	(993,236)	111%
Pharmaceuticals per CMI Adjusted Discharges	646	779	(133)	83%