

North Mississippi Health Services, Inc. and Subsidiaries
Consolidated Statements of Operations

Operating Statement

For the year ended September 30,

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
WHERE THE MONEY COMES FROM:					
We billed for services to inpatients	\$ 779,539,176	\$ 769,898,450	\$ 713,198,913	\$ 671,823,224	\$ 674,856,239
We billed for services to outpatients	899,975,461	805,062,767	695,998,736	655,998,938	553,283,279
We had other operating revenue of	<u>23,090,722</u>	<u>21,822,892</u>	<u>21,892,455</u>	<u>21,487,000</u>	<u>20,448,073</u>
Total operating revenue	1,702,605,359	1,596,784,109	1,431,090,104	1,349,309,162	1,248,587,591
BECAUSE WE DID NOT RECEIVE FULL PAYMENT:					
From those unable to pay (charity care based on charges)	(82,367,000)	(70,040,000)	(56,140,000)	(61,600,000)	(52,417,732)
From Medicare and Medicaid	(662,198,343)	(609,941,850)	(507,204,240)	(466,541,407)	(441,716,908)
From other contracted payors	<u>(169,197,678)</u>	<u>(155,524,823)</u>	<u>(131,033,325)</u>	<u>(126,584,494)</u>	<u>(103,165,914)</u>
Therefore we wrote off	(913,763,021)	(835,506,673)	(694,377,565)	(654,725,901)	(597,300,554)
OUR NET REVENUE WAS	788,842,338	761,277,436	736,712,539	694,583,261	651,287,037
WHERE THE MONEY GOES:					
To pay our 6,305 employees salaries and benefits	389,723,043	379,129,958	360,390,430	346,416,144	329,214,302
To purchase supplies and services	243,196,125	225,541,669	226,716,748	210,110,915	183,232,568
To allow for wear and tear on buildings and equipment	41,644,420	41,959,636	42,306,425	42,217,320	42,050,456
To pay for utilities	8,314,006	9,223,789	8,949,557	8,402,607	8,371,878
To pay interest on our outstanding debt	3,421,633	2,744,916	4,801,011	5,426,937	5,632,640
To allow for those patients who are unwilling to pay (bad debts)	<u>82,010,643</u>	<u>78,102,976</u>	<u>72,771,765</u>	<u>72,067,114</u>	<u>56,921,439</u>
Our total expense was	768,309,870	736,702,944	715,935,936	684,641,037	625,423,283
This provides an operating margin of	20,532,468	24,574,492	20,776,603	9,942,224	25,863,754
We had income (losses) from investments and nonoperating revenue of	<u>20,258,944</u>	<u>20,332,459</u>	<u>(8,437,404)</u>	<u>30,575,492</u>	<u>19,864,044</u>
Funds remaining to pay on outstanding debt and to invest in the hospital system's future . . . (new and replacement equipment, new technology, new services, etc.)	\$ 40,791,412	\$ 44,906,951	\$ 12,339,199	\$ 40,517,716	\$ 45,727,798

Hospital System Statistics:

Admissions - inpatient	32,474	34,925	36,124	34,405	38,744
Skilled Nursing Facilities patient days	99,718	100,665	102,837	101,922	98,291
Emergency department visits	129,396	125,832	123,101	118,588	111,845
Outpatient visits	333,240	334,809	323,321	333,111	328,226
Home care visits	299,024	323,778	332,512	316,576	298,338
Surgeries	24,214	24,928	25,276	25,073	25,353
Clinic encounters	609,438	635,601	616,116	579,235	577,474