Hazel Hawkins Memorial Hospital Income Statement Projections-Target Model Volumes FYE 06/30								Projection Period						
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	203
Revenues														
Gross Charges	$ 356,475,851	$ 358,711,116	$ 351,936,025	$ 300,688,046	$ 338,361,316	$ 399,502,192	$ 426,914,739	$ 447,366,754	$ 469,603,941	$ 528,695,201	$ 553,569,223	$ 585,441,303	$ 616,218,179	$ 647,12
Contractuals	(247,934,800)	(245,441,158)	(239,383,563)	(192,314,789)	(207,277,580)	(253,174,567)	(282,503,359)	(295,406,323)	(309,563,841)	(350,673,246)	(367,813,803)	(390,208,503)	(411,781,275)	(433,53
Net Patient Revenues	108,541,051	113,269,957	112,552,463	108,373,257	131,083,736	146,327,625	144,411,380	151,960,431	160,040,099	178,021,955	185,755,420	195,232,800	204,436,905	213,58
Other Operating Revenues	2,563,675	2,552,266	3,124,099	9,864,665	8,328,243	2,190,864	2,208,681	2,226,855	2,245,392	2,264,299	1,083,585	1,103,257	1,123,322	1,14
Net Revenues	**111,104,726**	**115,822,223**	**115,676,562**	**118,237,922**	**139,411,979**	**148,518,489**	**146,620,061**	**154,187,285**	**162,285,491**	**180,286,254**	**186,839,005**	**196,336,057**	**205,560,227**	**214,73**
Expenses														
Salaries & Wages	46,049,464	46,856,060	49,053,172	51,645,119	60,520,498	61,924,816	65,711,032	69,186,115	73,405,931	82,348,672	89,961,998	95,225,165	100,550,012	105,99
Benefits	23,187,583	23,503,771	24,818,372	27,385,123	30,371,736	32,008,550	34,301,726	35,852,249	37,707,233	41,578,793	44,610,542	46,509,569	48,388,531	50,26
Professional Fees	13,382,296	13,890,751	14,200,621	15,596,203	16,613,614	17,062,349	18,084,699	19,251,372	20,421,379	21,523,359	22,628,809	23,666,369	24,707,539	25,60
Supplies	10,622,928	10,836,043	10,522,582	10,942,052	12,451,021	14,063,786	14,828,311	15,455,059	16,138,543	17,975,480	18,677,425	19,593,734	20,462,266	21,31
Purchased Services	11,392,844	11,417,173	11,181,312	10,868,872	12,387,120	11,858,401	12,112,553	12,354,804	12,601,901	12,853,939	13,111,017	13,373,238	13,640,702	13,91
Occupancy Expenses	8,931,809	8,896,579	8,772,217	8,665,122	8,924,134	9,324,813	9,509,975	9,700,174	9,894,178	10,092,061	10,293,902	10,499,780	10,709,776	10,92
Other Expenses	514,928	353,448	538,462	525,090	453,845	592,413	609,878	622,075	634,517	647,207	660,151	673,354	686,821	70
Interest Expense	1,993,088	1,921,985	1,813,128	1,747,885	1,814,927	1,562,309	1,421,162	1,301,347	1,175,373	1,043,261	904,611	767,163	637,461	50
Total Expenses	**116,074,941**	**117,675,809**	**120,899,867**	**127,375,465**	**143,536,895**	**148,397,437**	**156,579,336**	**163,723,195**	**171,979,053**	**188,062,772**	**200,848,455**	**210,308,372**	**219,783,108**	**229,22**
Other Non Operating Revenues/Expenses	**3,875,060**	**4,119,445**	**4,394,431**	**4,484,948**	**4,424,968**	**3,745,613**	**3,820,525**	**3,896,936**	**3,974,874**	**4,054,372**	**4,135,459**	**4,218,168**	**4,302,532**	**4,38**
Net Income	**(1,095,155)**	**2,265,859**	**(828,873)**	**(4,652,595)**	**300,052**	**3,866,664**	**(6,138,750)**	**(5,638,975)**	**(5,718,687)**	**(3,722,146)**	**(9,873,991)**	**(9,754,147)**	**(9,920,350)**	**(10,10**
Additional Depreciation	-	-	-	-	-	-	-	258,333	258,333	11,529,167	12,471,301	12,471,301	12,471,301	12,47
Additional Interest Expense	-	-	-	-	-	-	-	187,500	184,015	8,992,899	9,655,424	9,466,157	9,269,792	9,06
Adjusted Net Income	**$ (1,095,155)**	**$ 2,265,859**	**$ (828,873)**	**$ (4,652,595)**	**$ 300,052**	**$ 3,866,664**	**$ (6,138,750)**	**$ (6,084,808)**	**$ (6,161,036)**	**$ (24,244,212)**	**$ (32,000,717)**	**$ (31,691,605)**	**$ (31,661,443)**	**$ (31,64**
Net Income by Funstional Operation														
Hosptial	$ 2,611,772	$ 6,571,353	$ 3,538,511	$ 1,824,253	$ 9,906,866	$ 13,052,042	$ 3,711,998	$ 5,054,485	$ 5,904,846	$ (11,217,566)	$ (15,905,563)	$ (14,311,889)	$ (12,921,515)	$ (11,59
Clinics	(3,920,092)	(4,841,989)	(5,789,250)	(7,721,191)	(7,044,144)	(7,902,691)	(8,387,032)	(9,446,826)	(10,069,481)	(10,644,090)	(13,020,735)	(13,560,297)	(14,113,110)	(14,55
Home Health	239,744	480,952	184,387	513,293	(755,801)	(589,117)	(732,660)	(813,854)	(902,434)	(998,742)	(1,106,177)	(1,221,783)	(1,346,120)	(1,47
SNF	(26,579)	55,544	1,237,479	731,051	(1,806,870)	(693,570)	(731,055)	(878,613)	(1,093,967)	(1,383,813)	(1,968,243)	(2,597,636)	(3,280,698)	(4,00
Net Income	**$ (1,095,155)**	**$ 2,265,859**	**$ (828,873)**	**$ (4,652,595)**	**$ 300,052**	**$ 3,866,664**	**$ (6,138,750)**	**$ (6,084,808)**	**$ (6,161,036)**	**$ (24,244,212)**	**$ (32,000,717)**	**$ (31,691,605)**	**$ (31,661,443)**	**$ (31,64**

Hazel Hawkins Memorial Hospital Income Statement Projections-70% Volume Model FYE 06/30	2017	2018	2019	2020	2021	2022	2023	Projection Period 2024	2025	2026	2027	2028	2029	203
Revenues														
Gross Charges	$ 356,475,851	$ 358,711,116	$ 351,936,025	$ 300,688,046	$ 338,361,316	$ 399,502,192	$ 426,914,739	$ 447,366,754	$ 469,603,941	$ 629,349,606	$ 684,937,609	$ 750,053,374	$ 815,173,803	$ 881,79
Contractuals	(247,934,800)	(245,441,158)	(239,383,563)	(192,314,789)	(207,277,580)	(253,174,567)	(282,503,359)	(295,406,323)	(309,563,841)	(424,998,983)	(464,804,287)	(511,787,914)	(558,814,165)	(607,09
Net Patient Revenues	108,541,051	113,269,957	112,552,463	108,373,257	131,083,736	146,327,625	144,411,380	151,960,431	160,040,099	204,350,623	220,133,322	238,265,460	256,359,639	274,70
Other Operating Revenues	2,563,675	2,552,266	3,124,099	9,864,665	8,328,243	2,190,864	2,208,681	2,226,855	2,245,392	2,264,299	1,083,585	1,103,257	1,123,322	1,14
Net Revenues	**111,104,726**	**115,822,223**	**115,676,562**	**118,237,922**	**139,411,979**	**148,518,489**	**146,620,061**	**154,187,285**	**162,285,491**	**206,614,923**	**221,216,908**	**239,368,717**	**257,482,961**	**275,84**
Expenses														
Salaries & Wages	46,049,464	46,856,060	49,053,172	51,645,119	60,520,498	61,924,816	65,731,246	69,228,160	73,471,521	91,203,812	102,831,683	111,547,652	120,493,384	129,75
Benefits	23,187,583	23,503,771	24,818,372	27,385,123	30,371,736	32,008,550	34,304,229	35,857,454	37,715,353	45,373,860	50,061,407	53,297,265	56,524,421	59,76
Professional Fees	13,382,296	13,890,751	14,200,621	15,596,203	16,613,614	17,062,349	18,084,699	19,251,372	20,421,379	21,523,359	22,628,809	23,666,369	24,707,539	25,60
Supplies	10,622,928	10,836,043	10,522,582	10,942,052	12,451,021	14,063,786	14,828,311	15,455,059	16,138,543	21,217,972	22,847,840	24,752,245	26,622,934	28,50
Purchased Services	11,392,844	11,417,173	11,181,312	10,868,872	12,387,120	11,858,401	12,112,553	12,354,804	12,601,901	12,853,939	13,111,017	13,373,238	13,640,702	13,91
Occupancy Expenses	8,931,809	8,896,579	8,772,217	8,665,122	8,924,134	9,324,813	9,509,975	9,700,174	9,894,178	10,092,061	10,293,902	10,499,780	10,709,776	10,92
Other Expenses	514,928	353,448	538,462	525,090	453,845	592,413	609,878	622,075	634,517	647,207	660,151	673,354	686,821	70
Interest Expense	1,993,088	1,921,985	1,813,128	1,747,885	1,814,927	1,562,309	1,421,162	1,301,347	1,175,373	1,043,261	904,611	767,163	637,461	50
Total Expenses	**116,074,941**	**117,675,809**	**120,899,867**	**127,375,465**	**143,536,895**	**148,397,437**	**156,602,052**	**163,770,445**	**172,052,763**	**203,955,470**	**223,339,420**	**238,577,067**	**254,023,038**	**269,67**
Other Non Operating Revenues/Expenses	**3,875,060**	**4,119,445**	**4,394,431**	**4,484,948**	**4,424,968**	**3,745,613**	**3,820,525**	**3,896,936**	**3,974,874**	**4,054,372**	**4,135,459**	**4,218,168**	**4,302,532**	**4,38**
Net Income	**(1,095,155)**	**2,265,859**	**(828,873)**	**(4,652,595)**	**300,052**	**3,866,664**	**(6,161,466)**	**(5,686,225)**	**(5,792,397)**	**6,713,824**	**2,012,947**	**5,009,818**	**7,762,455**	**10,56**
Additional Depreciation	-	-	-	-	-	-	-	258,333	258,333	11,529,167	12,471,301	12,471,301	12,471,301	12,47
Additional Interest Expense	-	-	-	-	-	-	-	187,500	184,015	8,992,899	9,655,424	9,466,157	9,269,792	9,06
Adjusted Net Income	**$ (1,095,155)**	**$ 2,265,859**	**$ (828,873)**	**$ (4,652,595)**	**$ 300,052**	**$ 3,866,664**	**$ (6,161,466)**	**$ (6,132,058)**	**$ (6,234,746)**	**$ (13,808,241)**	**$ (20,113,779)**	**$ (16,927,640)**	**$ (13,978,638)**	**$ (10,97**
Net Income by Funstional Operation														
Hosptial	$ 2,611,772	$ 6,571,353	$ 3,538,511	$ 1,824,253	$ 9,906,866	$ 13,052,042	$ 3,689,282	$ 5,007,235	$ 5,831,136	$ (781,595)	$ (4,018,625)	$ 452,077	$ 4,761,289	$ 9,06
Clinics	(3,920,092)	(4,841,989)	(5,789,250)	(7,721,191)	(7,044,144)	(7,902,691)	(8,387,032)	(9,446,826)	(10,069,481)	(10,644,090)	(13,020,735)	(13,560,297)	(14,113,110)	(14,55
Home Health	239,744	480,952	184,387	513,293	(755,801)	(589,117)	(732,660)	(813,854)	(902,434)	(998,742)	(1,106,177)	(1,221,783)	(1,346,120)	(1,47
SNF	(26,579)	55,544	1,237,479	731,051	(1,806,870)	(693,570)	(731,055)	(878,613)	(1,093,967)	(1,383,813)	(1,968,243)	(2,597,636)	(3,280,698)	(4,00
Net Income	**$ (1,095,155)**	**$ 2,265,859**	**$ (828,873)**	**$ (4,652,595)**	**$ 300,052**	**$ 3,866,664**	**$ (6,161,466)**	**$ (6,132,058)**	**$ (6,234,746)**	**$ (13,808,241)**	**$ (20,113,779)**	**$ (16,927,640)**	**$ (13,978,638)**	**$ (10,97**