

North Mississippi Health Services, Inc. and Subsidiaries
Consolidated Statements of Operations
(In thousands)

Operating Statement

For the year ended September 30,

WHERE THE MONEY COMES FROM:

	<u>2017</u>	<u>2016</u>	<u>2015</u>
We billed for services to inpatients	\$ 1,324,375	\$ 1,182,586	\$ 1,073,933
We billed for services to outpatients	2,071,606	1,736,681	1,526,193
We had other operating revenue of	26,099	30,559	34,418
Total operating revenue	<u>3,422,080</u>	<u>2,949,826</u>	<u>2,634,544</u>

BECAUSE WE DID NOT RECEIVE FULL PAYMENT:

From those unable to pay (charity care based on charges)	(80,716)	(72,034)	(71,235)
From Medicare and Medicaid	(1,326,261)	(1,162,006)	(1,082,961)
From other contracted payors	(957,506)	(686,236)	(501,268)
From those unwilling to pay (bad debts)	<u>(158,778)</u>	<u>(136,531)</u>	<u>(119,039)</u>

Therefore we wrote off

OUR NET REVENUE WAS

	<u>(2,523,261)</u>	<u>(2,056,807)</u>	<u>(1,774,503)</u>
	898,819	893,019	860,041

WHERE THE MONEY GOES:

To pay our 6,607 employees salaries and benefits	505,512	483,617	440,387
To purchase supplies and services	349,472	335,727	324,593
To allow for wear and tear on buildings and equipment	50,563	49,914	46,467
To pay for utilities	9,462	8,989	9,724
To pay interest on our outstanding debt	<u>5,001</u>	<u>4,675</u>	<u>4,912</u>
Our total expense was	920,010	882,922	826,083

This provides an operating margin (loss) of

	(21,191)	10,097	33,958
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We had income (loss) from investments and nonoperating revenue of

	<u>22,005</u>	<u>20,437</u>	<u>(1,909)</u>
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**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.)

	\$ 814	\$ 30,534	\$ 32,049
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Hospital System Statistics:

Admissions - inpatient	31,777	30,810	28,770
Skilled Nursing Facilities patient days	98,734	99,591	96,734
Emergency department visits	139,049	138,284	132,414
Outpatient visits	571,568	562,185	505,745
Home care visits	175,760	156,639	162,010
Surgeries	27,173	25,422	23,716