

ADDENDUM

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Financial Statements

May 2008

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

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FISCAL YEAR 2008
Balanced Scorecard
Financial Indicators

February							March		April		May		YTD 2008			Prior Year	
Actual	Actual	Actual	Actual	Budget / PY	Variance	% Actual to Budget	Actual	Budget	Variance	% Actual to Budget	Actual	Budget	Variance	% Actual to Budget	Actual		
PPH Indicators:																	
9.2%	7.4%	8.1%	0.8%	10.7%	(9.9%)	7.5%	OEBITDA Margin w/Prop Tax	6.2%	10.1%	(3.9%)	61.4%	9.3%					
\$2,429.69	\$2,426.76	\$2,669.98	\$2,742.23	\$2,655.38	\$ (86.85)	103.3%	Expenses/Wtd Day	2,671.77	\$2,678.07	\$ 6.30	99.8%	2,515.49					
\$1,408.08	\$1,346.10	\$1,508.97	\$1,591.05	\$1,577.84	\$ (13.21)	100.8%	SWB/Wtd Day	1,572.36	\$1,578.71	\$ 6.35	99.6%	1,502.16					
6.15	6.20	6.59	6.60	6.62	0.02	99.7%	Prod FTE's/Adj Occupied Bed	6.44	6.63	0.19	97.1%	6.03					
13,874	14,498	13,173	13,213	13,476	(263)	98.0%	Weighted Patient Days	147,106	143,691	3,415	103.3%	142,375					
PPH North Indicators:																	
8.8%	9.5%	11.9%	1.1%	11.7%	(10.6%)	9.4%	OEBITDA Margin w/Prop Tax	7.1%	11.1%	(4.0%)	64.0%	9.3%					
\$2,274.22	\$2,318.27	\$2,375.62	\$2,610.99	\$2,507.57	\$ (103.42)	104.1%	Expenses/Wtd Day	2,531.92	\$2,521.99	\$ (9.93)	100.4%	2,393.58					
\$1,154.56	\$1,155.14	\$1,225.32	\$1,311.03	\$1,314.33	\$ 3.30	99.7%	SWB/Wtd Day	1,296.23	\$1,310.42	\$ 14.19	98.9%	1,245.41					
5.01	5.16	5.40	5.46	5.35	(0.11)	102.1%	Prod FTE's/Adj Occupied Bed	5.31	5.31	0.00	100.0%	5.08					
9,793	10,017	9,176	9,066	9,129	(63)	99.3%	Weighted Patient Days	102,252	100,745	1,507	103.8%	98,532					
PPH South Indicators:																	
12.3%	4.3%	(23.9%)	(0.4%)	6.4%	(6.8%)	(6.3%)	OEBITDA Margin w/Prop Tax	2.0%	5.7%	(3.7%)	35.1%	7.1%					
\$2,354.27	\$2,268.94	\$3,170.66	\$2,698.47	\$2,545.32	\$ (153.15)	106.0%	Expenses/Wtd Day	2,604.57	\$2,568.00	\$ (36.57)	101.4%	2,420.30					
\$1,189.85	\$1,152.19	\$1,330.09	\$1,298.56	\$1,303.06	\$ 4.50	99.7%	SWB/Wtd Day	1,298.45	\$1,303.38	\$ 4.93	99.6%	1,252.78					
6.06	5.78	6.68	6.13	6.04	(0.09)	101.5%	Prod FTE's/Adj Occupied Bed	6.15	6.07	(0.08)	101.3%	5.38					
3,886	4,289	3,813	3,967	4,026	(59)	98.5%	Weighted Patient Days	42,534	40,753	1,781	103.9%	40,933					

Weighted Patient Days is compared with Prior Year Actual

Executive Summary of
Key Indicators

	MAY 2008			FY 08 Y-T-D @ May 2008			Moody Benchmark
	Actual	Budget	Variance	Actual	Budget	Variance	
<u>Statistics:</u>							
Acute Admissions	2,391	2,526	(135)	26,572	27,380	(808)	
Acute Patient Days	9,087	9,666	(579)	104,675	104,759	(84)	
Acute ALOS	3.66	3.83	(0.17)	3.91	3.83	0.08	
Case Mix Index (w/o Births)	1.43	1.34	0.09	1.40	1.34	0.06	
Total Surgeries	1,650	1,692	(42)	16,160	16,100	60	
Births	434	466	(32)	4,953	5,051	(98)	
E/R Visits & Admissions	7,235	7,415	(180)	81,756	80,377	1,379	
ER to Admit Rate	16.8%	17.4%	(0.6%)	16.3%	17.4%	(1.1%)	
Productivity %	100.3%	100%	0.3%	99.7%	100%	(0.3%)	
<u>Income Statement:</u>							
Net Patient Revenue	32,914,204	35,093,685	(2,179,481)	377,118,714	380,404,842	(3,286,128)	
Total Net Revenue	33,516,099	36,351,819	(2,835,720)	386,496,155	394,244,314	(7,748,159)	
Sal., Wages, Cont. Lbr	16,738,860	16,705,972	(32,888)	188,669,457	181,168,614	(7,500,843)	
Supplies	5,354,771	5,326,861	(27,910)	61,175,795	57,754,095	(3,421,700)	
Total Expenses	36,232,905	35,176,242	(1,056,663)	393,005,205	384,497,019	(8,508,186)	
Net Inc. (Loss) before Non-Op	(2,716,806)	1,175,577	(3,892,383)	(6,509,050)	9,747,295	(16,256,345)	
Net Income (Loss)	(2,122,797)	2,366,896	(4,489,693)	8,387,494	22,851,798	(14,464,304)	
<u>Cash Flow:</u>							
Cash Collections	35,500,000	33,100,000	2,400,000	367,400,000	364,100,000	3,300,000	
Days in A/R - Gross				45.7	52.4	(6.7)	
Days Cash on Hand				88	80	8	
<u>Ratios:</u>							
OEBITDA w/ Prop. Tax	0.8%	10.7%	(2.6%)	6.7%	10.0%	(3.3%)	
Net Income Margin	(5.9%)	6.2%	(5.4%)	2.8%	5.5%	(2.7%)	
Bad Debt % of Net Revenue	8.4%	8.6%	0.2%	9.8%	8.6%	(1.2%)	6.6%
Return On Assets	-	-	-	1.3%	3.7%	(2.4%)	4.7%
Annual Debt Service Coverage	-	-	-	2.2	3.2	(1.0)	4.5
Cushion Ratio	-	-	-	5.7	-	-	15.5

Financial Results

Executive Summary & Highlights

Statistics

	April	May	April vs May % Change	May Budget	Act vs Bud % Variance
CONSOLIDATED					
Patient Days Acute	9,112	9,087	(0.3%)	9,666	(6.0%)
Patient Days SNF	6,189	6,481	4.7%	6,546	(1.0%)
ADC Acute	303.73	293.13	(3.5%)	311.82	(6.0%)
ADC SNF	206.30	209.06	1.3%	211.16	(1.0%)
Surgeries CVS Cases	7	7	0.0%	12	(41.7%)
Surgeries Total	1,730	1,650	(4.6%)	1,692	(2.5%)
Number of Births	400	434	8.5%	466	(6.9%)
NORTH					
Patient Days Acute	6,689	6,539	(2.2%)	7,298	(10.4%)
Patient Days SNF	2,511	2,723	8.4%	2,720	0.1%
ADC Acute	222.95	210.93	(5.4%)	235.43	(10.4%)
ADC SNF	83.70	87.84	4.9%	87.74	0.1%
SOUTH					
Patient Days Acute	2,423	2,548	5.2%	2,368	7.6%
Patient Days SNF	3,678	3,758	2.2%	3,826	(1.8%)
ADC Acute	80.77	82.19	1.8%	76.38	7.6%
ADC SNF	122.60	121.23	(1.1%)	123.42	(1.8%)

Balance Sheet:

Current Cash & Cash Equivalents increased \$11.6 million from \$75.2 million in April to \$86.8 million in May. This increase is primarily due to the increase in Construction in Progress of \$17.3 million of which \$9.6 million was reimbursed by Bond funds. We also received \$4.2 million final reimbursement of tenant improvements related to the POP building and \$1.0 million insurance settlement for disaster relief related to the evacuation of Pomerado Hospital and Villa Pomerado. Total Cash and Investments are \$97.2 million, compared to \$85.6 million at April 30, 2008. Days Cash on Hand improved from 77 days in April to 88 days in May.

Net Accounts Receivable decreased to \$89.3 million in May as compared to \$91.2 million in April. Gross A/R days decreased from 47.4 days in April to 45.7 days in May. May patient account collections including capitation are \$35.5 million compared to budget of \$33.1 million. May YTD collections are \$367.4 million compared to budget of \$364.1 million.

Construction in Progress increased \$17.2 million from \$202.3 million in April to \$219.5 million in May. The increase is attributed to Building Expansion A & E Services and construction costs \$19.7 million and the Cerner Optimization Project \$0.5 million; less \$3.3 million due to the Pomerado Outpatient Pavillion tenant improvement net reimbursement.

Income Statement:

YTD Gross Patient Revenue reflects a favorable budget variance of \$52.7 million. The \$52.7 million favorable variance is composed of \$1.7 million unfavorable volume variance and \$54.4 million favorable rate variance based on adjusted discharges.

Routine revenue (inpatient room and board) reflects an unfavorable \$5.6 million budget variance. Inpatient Ancillary revenue represents a \$23.6 million favorable budget variance. North reflects \$9.0 million favorable variance and South reflects \$14.6 million favorable variance.

Outpatient revenue reflects a favorable budget variance of \$34.7 million. North has a \$32.5 million favorable variance and South has \$2.2 million favorable variance.

Deductions from Revenue reflect a YTD unfavorable variance of \$56.0 million. Total Deductions from Revenue is 70.88% of gross revenue compared to a budget of 69.38%. Deductions from Revenue (excluding Bad Debt/Charity/Undocumented expenses) is 66.20% of YTD Gross Revenue compared to budget of 65.12%.

Income Statement (cont'd):

The net capitation reflects a YTD unfavorable budget variance of \$5.6 million. Cap Premium and Out of Network Claim Expense both show a favorable budget variance of \$0.4 million and \$1.9 million, respectively. Cap Valuation shows an unfavorable variance of \$7.9 million.

Other Operating Revenue reflects a YTD unfavorable budget variance of \$4.5 million. The most significant contributor to this variance is the Foundation where actual revenue is zero versus a budget of \$3.2 million. After the budget was prepared, a change in procedure was initiated to credit the Foundation's expenses instead of revenue for funding requests. Therefore, the offset to this revenue loss is a reduction to expenses. This variance will be ongoing throughout the year. PPNC Health Development has a YTD unfavorable variance of \$1.3 million. Also contributing to this variance is the Grant program for Home Health Outreach and Welcome Home Baby where the YTD variances are unfavorable by \$1.2 million and \$0.8 million, respectively. All these negative variances are partially offset by the Spartanburg class action settlement of \$0.2 million; VHA Rebates of \$0.2 million; the insurance settlement for the Graybill Auditorium water damage of \$0.2 million and the insurance claim for disaster relief of \$1.3 million.

Salaries, Wages & Contract Labor has a YTD unfavorable budget variance of \$7.5 million. The breakdown is as follows:

Consolidated	188,669,457	181,168,614	(7,500,843)
North	109,196,003	105,879,299	(3,316,704)
South	45,748,887	42,375,873	(3,373,014)
Central	25,847,274	24,857,061	(990,213)
Outreach	7,877,293	8,056,381	179,088

Income Statement (cont'd):

Benefits Expense has a YTD favorable budget variance of \$3.0 million. This variance can be broken down into the following categories: FICA – unfavorable by \$2.0 million; Workers Compensation – favorable by \$3.8 million; All Other Benefits - favorable by \$1.2 million.

Supplies Expense reflects a YTD unfavorable budget variance of \$3.4 million. The breakdown is prosthesis supplies at \$1.6 million, surgery general at \$0.7 million, and other supplies at \$1.1 million.

Prof Fees & Purchased Services reflect a YTD unfavorable budget variance of \$1.5 million. The favorable variance of \$0.7 million in professional fees is due to physician income guarantees not realized. The unfavorable variance of \$2.2 million in purchase services is due to contracted purchased services.

Non-Operating Income reflects a YTD favorable variance of \$1.8 million. This is due to a favorable investment income variance of \$1.1 million. Interest expense is also favorable by \$0.6 million and other at \$0.1 million.

Ratios & Margins:

All required Bond covenant ratios were achieved in May, 2008.

Key Variance Explanations

Month-To-Date May 2008

	<u>Actual</u>	<u>Budget</u>	<u>Variance Detail</u>	<u>Variance</u>
Net Income From Operations	(2,716,806)	1,175,577		(3,892,383)
Total Net Revenue				(2,179,481)
Net Patient Revenue			(2,179,481)	
Other Operating Revenue				(656,239)
PPH Foundation			(294,835)	
Home Health Outreach			(136,205)	
PPNC Health Development			(116,864)	
Welcome Home Baby			(71,475)	
Other			(36,860)	
Salaries & Wages				145,558
Volume variance			(578,321)	
Rate & Efficiency			723,879	
Excess Overtime 7,479				
Benefits				(70,683)
FICA			(201,601)	
Worke'rs Comp			(307,240)	
Other			438,158	
Contract Labor				(178,446)
Volume Variance			(27,215)	
Rate & Efficiency (Nursing & Non-Nursing)			(151,231)	

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Key Variance Explanations
Month-To-Date May 2008 (cont'd)

	<u>Actual</u>	<u>Budget</u>	<u>Variance Detail</u>	<u>Variance</u>
Supplies				(27,910)
Volume variance			(193,081)	
Rate Variance			165,171	
Prosthesis (631000)	(216,824)			
Other	188,914			
Professional Fees				(291,356)
Revenue Cycle			(339,533)	
IT Consulting			(58,057)	
Physician Income Guarantees Not Realized			120,866	
Other			(14,632)	
Purchased Services				(166,340)
Repairs & Maintenance			(325,930)	
Other			159,590	
Depreciation				(80,335)
Depreciation			(80,335)	
Other Direct Expenses				(387,151)
POP Rent			(449,629)	
Other			62,478	
Total Actual to Budget MTD Variance for May 2008			(3,892,383)	(3,892,383)

Key Variance Explanations

Year-To-Date

	<u>Actual</u>	<u>Budget</u>	<u>Variance Detail</u>	<u>Variance</u>
Net Income From Operations	(6,509,050)	9,747,295		(16,256,345)
Total Net Revenue				(3,286,128)
Net Patient Revenue			(3,286,128)	
Other Operating Revenue				(4,462,031)
PPH Foundation			(3,243,183)	
PPNC Health Development			(1,254,966)	
Home Health Outreach			(1,184,044)	
Welcome Home Baby			(763,483)	
Disaster Relief			1,323,267	
Other			660,378	
Salaries & Wages				(5,303,746)
Volume variance			237,954	
Rate & Efficiency			(5,541,700)	
Excess Overtime (3,174,645)				
Benefits				3,042,685
FICA			(1,974,643)	
Worke'rs Comp			3,756,515	
Other			1,260,813	
Contract Labor				(2,197,097)
Volume Variance			11,193	
Rate & Efficiency (Nursing & Non-Nursing)			(2,208,290)	

Key Variance Explanations
Year-To-Date (cont'd)

	Actual	Budget	Variance Detail	Variance
Supplies				(3,421,700)
Volume variance			79,425	
Rate Variance			(3,501,125)	
Prosthesis (631000)		(1,638,094)		
Surgery General (634000)		(756,194)	--> da Vinci = (353,245)	
Other Non Medical (650000)		(674,767)		
Other Medical (641000)		(609,253)		
Other Minor Equipment (649000)		(375,451)		
Pharmacy (638000)		853,647		
Other		(221,588)		
Professional Fees				672,590
Revenue Cycle			(395,524)	
IT Consulting			(238,040)	
Physician Income Gurantees Not Realized			1,309,741	
Welcome Home Baby			745,589	
Other			(749,176)	
Purchased Services				(2,171,904)
Repairs & Maintenance			(2,171,904)	
Facilities (448,000)				
IT Consulting (547,000)				
Disaster Relief			(256,847)	
Other			256,847	
Depreciation				(238,929)
Depreciation			(238,929)	
Other Direct Expenses				1,109,915
POP Rent			(2,270,406)	
Foundation			2,241,873	
Other			1,138,448	
Total Actual to Budget YTD Variance for May 2008			(16,256,345)	(16,256,345)

**Balance Sheet
Consolidated**

	Current Month	Prior Month	Prior Fiscal Year End
Assets			
Current Assets			
Cash on Hand	\$12,629,317	\$5,376,287	\$1,365,825
Cash Marketable Securities	74,163,201	69,802,428	107,847,524
Total Cash & Cash Equivalents	86,792,518	75,178,715	109,213,349
Patient Accounts Receivable	180,874,207	193,548,391	160,767,031
Allowance on Accounts	(91,620,079)	(102,387,847)	(81,286,268)
Net Accounts Receivable	89,254,128	91,160,544	79,480,763
Inventories	7,124,114	7,409,608	7,025,980
Prepaid Expenses	3,523,479	3,982,571	2,071,008
Other	3,164,264	5,952,709	5,094,523
Total Current Assets	189,858,503	183,684,147	202,885,623
Non-Current Assets			
Restricted Assets	354,868,028	364,143,310	173,111,797
Restricted by Donor	303,600	302,156	296,184
Board Designated	10,441,218	10,376,256	0
Total Restricted Assets	365,612,846	374,821,722	173,407,981
Property Plant & Equipment	361,573,061	362,792,912	373,271,092
Accumulated Depreciation	(227,417,015)	(226,888,058)	(222,304,232)
Construction in Process	219,510,946	202,253,077	121,244,746
Net Property Plant & Equipment	353,666,992	338,157,931	272,211,606
Investment in Related Companies	1,750,582	1,750,582	265,204
Deferred Financing Costs	20,102,036	20,182,927	17,245,255
Other Non-Current Assets	7,058,324	6,966,047	5,715,558
Total Non-Current Assets	748,190,780	741,879,209	468,845,604
Total Assets	\$938,049,283	\$925,563,356	\$671,731,227

	Current Month	Prior Month	Prior Fiscal Year End
Liabilities			
Current Liabilities			
Accounts Payable	\$31,628,974	\$16,091,384	\$27,500,989
Accrued Payroll	13,503,507	17,100,447	14,778,493
Accrued PTO	14,135,114	14,144,666	12,638,138
Accrued Interest Payable	6,065,046	5,855,860	1,906,574
Current Portion of Bonds	9,660,000	9,660,000	13,220,000
Est Third Party Settlements	400,881	363,416	(2,579,788)
Other Current Liabilities	14,684,014	13,550,590	12,085,069
Total Current Liabilities	90,077,536	76,766,363	79,549,475
Long Term Liabilities			
Bonds & Contracts Payable	531,956,596	531,959,047	294,723,824
General Fund Balance			
Unrestricted	305,270,336	306,159,539	297,161,750
Restricted for Other Purpose	303,600	302,156	296,184
Board Designated	10,441,218	10,376,256	0
Total Fund Balance	316,015,154	316,837,951	297,457,934
Total Liabilities / Fund Balance	\$938,049,283	\$925,563,356	\$671,731,227

F I S C A L Y E A R 2 0 0 8
Income Statement: Monthly Trend
Consolidated

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	YTD
Statistics:												
Admissions - Acute	2,378	2,480	2,369	2,386	2,420	2,432	2,486	2,472	2,394	2,364	2,391	26,572
Admissions - SNF	98	83	95	82	79	97	75	85	110	99	95	998
Patient Days - Acute	9,000	9,910	9,617	9,161	9,291	9,397	9,876	9,970	10,254	9,112	9,087	104,675
Patient Days - SNF	6,453	6,703	6,262	6,200	6,252	6,441	6,448	5,932	6,288	6,189	6,481	69,649
LOS - Acute	3.77	4.03	4.03	3.85	3.84	3.82	3.95	4.04	4.15	3.89	3.66	3.91
LOS - SNF	74.17	77.94	63.90	68.89	90.61	68.52	80.60	68.98	59.32	63.80	68.22	70.49
Weighted Patient Days	12,587	13,756	13,284	12,775	12,969	13,000	13,967	13,874	14,498	13,173	13,213	147,106
Adjusted Discharges	3,283	3,357	3,250	3,272	3,305	3,357	3,458	3,387	3,476	3,349	3,545	37,034
Revenue:												
Gross Revenue	\$ 111,773,221	\$ 122,404,049	\$ 116,030,872	\$ 113,082,612	\$ 114,581,236	\$ 114,323,264	\$ 120,157,964	\$ 120,370,754	\$ 126,448,231	\$ 118,825,973	\$ 117,013,135	\$ 1,295,011,313
Deductions from Rev	(78,069,250)	(86,911,029)	(80,952,920)	(79,532,906)	(78,791,347)	(79,944,031)	(85,159,672)	(86,557,550)	(91,891,099)	(85,983,863)	(84,098,931)	(917,892,598)
Net Patient Revenue	33,703,971	35,493,020	35,077,952	33,549,706	35,789,889	34,379,233	34,998,292	33,813,204	34,557,132	32,842,110	32,914,204	377,118,715
Other Oper Revenue	701,388	986,768	719,079	1,046,518	644,683	657,106	563,842	722,950	528,361	2,204,855	601,895	9,377,440
Total Net Revenue	34,405,359	36,479,788	35,797,031	34,596,224	36,434,572	35,036,339	35,562,134	34,536,154	35,085,493	35,046,965	33,516,099	386,496,155
Expenses:												
Salaries, Wages & Contr Labor	16,158,669	16,464,478	16,477,521	17,451,691	17,312,652	19,926,214	17,049,645	16,891,071	17,050,799	17,147,856	16,738,860	188,669,457
Benefits	4,208,437	4,396,919	4,327,260	4,393,500	4,252,006	4,406,086	4,531,188	2,647,480	2,468,978	2,719,203	4,283,649	42,634,706
Supplies	4,942,769	5,720,791	5,111,919	5,436,382	5,624,615	5,349,701	6,122,338	5,671,856	6,046,544	5,794,111	5,354,770	61,175,795
Prof Fees & Purch Svc	4,291,556	5,235,293	5,463,126	5,405,362	5,518,907	4,989,017	5,336,191	4,604,768	5,755,967	5,634,146	5,388,389	57,622,721
Depreciation	1,787,630	1,785,978	1,804,198	1,804,702	1,911,015	1,887,683	1,597,900	1,721,380	1,786,633	1,850,277	1,862,750	19,800,146
Other	2,455,357	1,944,304	1,937,161	2,125,075	1,797,432	1,785,175	2,190,850	2,178,440	2,081,542	2,002,557	2,604,486	23,102,380
Total Expenses	33,844,418	35,547,763	35,121,185	36,616,712	36,416,627	38,343,876	36,828,112	33,714,995	35,190,463	35,148,150	36,232,905	393,005,205
Net Inc Before Non-Oper Income	560,941	932,026	675,846	(2,020,488)	17,945	(3,307,537)	(1,265,978)	821,159	(104,970)	(101,185)	(2,716,806)	(6,509,050)
Property Tax Revenue	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000	1,125,000	12,375,000
Non-Operating Income	331,466	517,863	795,728	174,686	918,390	76,272	1,013,956	161,786	(116,618)	(820,995)	(530,991)	2,521,544
Net Income (Loss)	\$ 2,017,407	\$ 2,574,888	\$ 2,596,574	\$ (720,802)	\$ 2,061,335	\$ (2,106,265)	\$ 872,978	\$ 2,107,945	\$ 903,412	\$ 202,820	\$ (2,122,797)	\$ 8,387,494
Net Income Margin	5.8%	5.8%	7.3%	(2.1%)	5.2%	(5.7%)	2.3%	5.3%	2.4%	0.6%	(5.9%)	2.0%
OEBITDA Margin w/o Prop Tax	6.8%	6.1%	7.0%	(0.6%)	4.9%	(3.8%)	0.9%	6.4%	4.4%	4.9%	(2.4%)	3.2%
OEBITDA Margin with Prop Tax	10.1%	8.6%	10.1%	2.6%	7.7%	(0.8%)	3.8%	9.2%	7.4%	8.1%	0.8%	6.2%

**Income Statement: Fiscal Year-to-Date
Consolidated – Adjusted Discharges**

				Variance		\$/Adjusted Discharges		
	Actual	Budget	Variance	Volume	Rate/Eff	Actual	Budget	Variance
Statistics:								
Admissions - Acute	26,572	27,380	(808)					
Admissions - SNF	998	1,053	(55)					
Patient Days - Acute	104,675	104,759	(84)					
Patient Days - SNF	69,649	70,952	(1,303)					
ALOS - Acute	3.91	3.83	0.08					
ALOS - SNF	70.49	68.09	2.40					
Adjusted Discharges	37,034	37,085	(51)					
Revenue:								
Gross Revenue	\$ 1,295,011,313	\$ 1,242,330,247	\$ 52,681,066 F	\$ (1,708,476)	\$ 54,389,542	\$34,968.17	\$ 33,499.53	\$ 1,468.64
Deductions from Rev	(917,892,599)	(861,925,405)	(55,967,194) U	1,185,336	(57,152,530)	(24,785.13)	(23,241.89)	(1,543.24)
Net Patient Revenue	377,118,714	380,404,842	(3,286,128) U	(523,140)	(2,762,988)	10,183.04	10,257.65	(74.61)
Other Oper Revenue	9,377,441	13,839,472	(4,462,031) U	(19,032)	(4,442,999)	253.21	373.18	(119.97)
Total Net Revenue	386,496,155	394,244,314	(7,748,159) U	(542,172)	(7,205,987)	10,436.25	10,630.83	(194.58)
Expenses:								
Salaries, Wages & Contr Labor	188,669,457	181,168,614	(7,500,843) U	249,147	(7,749,990)	5,094.49	4,885.23	(209.27)
Benefits	42,634,706	45,677,391	3,042,685 F	62,816	2,979,869	1,151.23	1,231.69	80.46
Supplies	61,175,795	57,754,095	(3,421,700) U	79,425	(3,501,125)	1,651.88	1,557.34	(94.54)
Prof Fees & Purch Svc	57,622,721	56,123,407	(1,499,314) U	77,182	(1,576,496)	1,555.94	1,513.37	(42.57)
Depreciation	19,800,146	19,561,217	(238,929) U	26,901	(265,830)	534.65	527.47	(7.18)
Other	23,102,380	24,212,295	1,109,915 F	33,297	1,076,618	623.82	652.89	29.07
Total Expenses	393,005,205	384,497,019	(8,508,186) U	528,768	(9,036,954)	10,612.01	10,367.99	(244.02)
Net Inc Before Non-Oper Income	(6,509,050)	9,747,295	(16,256,345) U	(13,405)	(16,242,940)	(175.76)	262.84	(438.60)
Property Tax Revenue	12,375,000	12,375,000	- -	(17,018)	17,018	334.15	333.69	0.46
Non-Operating Income	2,521,544	729,503	1,792,041 F	(1,003)	1,793,044	68.09	19.67	48.42
Net Income (Loss)	\$ 8,387,494	\$ 22,851,798	\$ (14,464,304) U	\$ (31,426)	\$ (14,432,878)	\$ 226.48	\$ 616.20	\$ (389.72)
Net Income Margin	2.0%	5.5%	(3.5%)					
OEBITDA Margin w/o Prop Tax	3.2%	7.1%	(3.9%)					
OEBITDA Margin with Prop Tax	6.2%	10.1%	(3.9%)					

F= Favorable variance
U= Unfavorable variance

Income Statement: Month-to-Date
Consolidated – Adjusted Discharges

				Variance		\$/Adjusted Discharges		
	Actual	Budget	Variance	Volume	Rate/Eff	Actual	Budget	Variance
Statistics:								
Admissions - Acute	2,391	2,526	(135)					
Admissions - SNF	95	97	(2)					
Patient Days - Acute	9,087	9,666	(579)					
Patient Days - SNF	6,481	6,546	(65)					
ALOS - Acute	3.66	3.83	(0.17)					
ALOS - SNF	68.22	68.19	0.03					
Adjusted Discharges	3,545	3,421	124					
Revenue:								
Gross Revenue	\$ 117,013,135	\$ 114,616,558	\$ 2,396,577 F	\$ 4,154,473	\$ (1,757,896)	\$33,007.94	\$ 33,503.82	\$ (495.88)
Deductions from Rev	(84,098,931)	(79,522,873)	(4,576,058) U	(2,882,443)	(1,693,615)	(23,723.25)	(23,245.51)	(477.75)
Net Patient Revenue	32,914,204	35,093,685	(2,179,481) U	1,272,031	(3,451,512)	9,284.68	10,258.31	(973.63)
Other Oper Revenue	601,895	1,258,134	(656,239) U	45,603	(701,842)	169.79	367.77	(197.98)
Total Net Revenue	33,516,099	36,351,819	(2,835,720) U	1,317,634	(4,153,354)	9,454.47	10,626.08	(1,171.61)
Expenses:								
Salaries, Wages & Contr Labor	16,738,860	16,705,972	(32,888) U	(605,537)	572,649	4,721.82	4,883.36	161.54
Benefits	4,283,649	4,212,966	(70,683) U	(152,706)	82,023	1,208.36	1,231.50	23.14
Supplies	5,354,770	5,326,861	(27,910) U	(193,081)	165,172	1,510.51	1,557.11	46.59
Prof Fees & Purch Svc	5,388,389	4,930,693	(457,696) U	(178,721)	(278,975)	1,520.00	1,441.30	(78.70)
Depreciation	1,862,750	1,782,415	(80,335) U	(64,607)	(15,728)	525.46	521.02	(4.44)
Other	2,604,486	2,217,335	(387,151) U	(80,371)	(306,780)	734.69	648.15	(86.54)
Total Expenses	36,232,905	35,176,242	(1,056,663) U	(1,275,023)	218,361	10,220.85	10,282.44	61.60
Net Inc Before Non-Oper Income	(2,716,806)	1,175,577	(3,892,383) U	42,611	(3,934,993)	(766.38)	343.64	(1,110.01)
Property Tax Revenue	1,125,000	1,125,000	- -	40,778	(40,778)	317.35	328.85	(11.50)
Non-Operating Income	(530,991)	66,319	(597,310) U	2,404	(599,714)	(149.79)	19.39	(169.17)
Net Income (Loss)	\$ (2,122,797)	\$ 2,366,896	\$ (4,489,693) U	\$ 85,792	\$ (4,575,484)	\$ (598.81)	\$ 691.87	\$ (1,290.69)
Net Income Margin	(5.9%)	6.2%	(12.1%)					
OEBITDA Margin w/o Prop Tax	(2.4%)	7.8%	(10.2%)					
OEBITDA Margin with Prop Tax	0.8%	10.7%	(9.9%)					

F= Favorable variance
 U= Unfavorable variance

**Income Statement: Current vs. Prior Year-to-Date
Consolidated – Adjusted Discharges**

	May 08 YTD	May 07 YTD	Variance	Variance		\$/Adjusted Discharges		
				Volume	Rate/Eff	Actual	Budget	Variance
Statistics:								
Admissions - Acute	26,572	26,589	(17)					
Admissions - SNF	998	1,043	(45)					
Patient Days - Acute	104,675	103,256	1,419					
Patient Days - SNF	69,649	70,737	(1,088)					
ALOS - Acute	3.91	3.85	0.06					
ALOS - SNF	70.49	68.48	2.01					
Adjusted Discharges	37,034	37,146	(112)					
Revenue:								
Gross Revenue	\$ 1,295,011,313	\$ 1,139,875,148	\$ 155,136,165 F	\$ (3,436,871)	\$ 158,573,036	\$34,968.17	\$ 30,686.35	\$ 4,281.82
Deductions from Rev	(917,892,599)	(785,990,279)	(131,902,320) U	2,369,862	(134,272,182)	(24,785.13)	(21,159.49)	(3,625.65)
Net Patient Revenue	377,118,714	353,884,869	23,233,845 F	(1,067,009)	24,300,854	10,183.04	9,526.86	656.18
Other Oper Revenue	9,377,441	9,621,189	(243,748) U	(29,009)	(214,739)	253.21	259.01	(5.80)
Total Net Revenue	386,496,155	363,506,058	22,990,097 F	(1,096,018)	24,086,115	10,436.25	9,785.87	650.38
Expenses:								
Salaries, Wages & Contr Labor	188,669,457	169,939,537	(18,729,920) U	512,390	(19,242,310)	5,094.49	4,574.91	(519.58)
Benefits	42,634,706	43,929,966	1,295,260 F	132,455	1,162,805	1,151.23	1,182.63	31.40
Supplies	61,175,795	55,960,575	(5,215,220) U	168,728	(5,383,948)	1,651.88	1,506.50	(145.38)
Prof Fees & Purch Svc	57,622,721	48,772,897	(8,849,824) U	147,057	(8,996,881)	1,555.94	1,313.01	(242.94)
Depreciation	19,800,146	18,586,177	(1,213,969) U	56,040	(1,270,009)	534.65	500.35	(34.29)
Other	23,102,380	20,783,062	(2,319,318) U	62,664	(2,381,982)	623.82	559.50	(64.32)
Total Expenses	393,005,205	357,972,214	(35,032,991) U	1,079,333	(36,112,324)	10,612.01	9,636.90	(975.11)
Net Inc Before Non-Oper Income	(6,509,050)	5,533,844	(12,042,894) U	(16,685)	(12,026,209)	(175.76)	148.98	(324.73)
Property Tax Revenue	12,375,000	11,595,826	779,174 F	(34,963)	814,137	334.15	312.17	21.98
Non-Operating Income	2,521,544	1,881,394	640,150 F	(5,673)	645,823	68.09	50.65	17.44
Net Income (Loss)	\$ 8,387,494	\$ 19,011,064	\$ (10,623,570) U	\$ (57,321)	\$ (10,566,249)	\$ 226.48	\$ 511.79	\$ (285.31)
Net Income Margin	2.0%	4.9%	(2.9%)					
OEBITDA Margin w/o Prop Tax	3.2%	6.3%	(3.1%)					
OEBITDA Margin with Prop Tax	6.2%	9.3%	(3.1%)					

F= Favorable variance
U= Unfavorable variance

F I S C A L Y E A R 2 0 0 8
Income Statement: Fiscal Year Projection
Consolidated – Adjusted Discharges

	11 Act + 1 Bud	FY 08 Budget	Variance	Variance		\$/Adjusted Discharges		
				Volume	Rate/Eff	Actual	Budget	Variance
Statistics:								
Admissions - Acute	29,019	29,827	(808)					
Admissions - SNF	1,092	1,147	(55)					
Patient Days - Acute	114,027	114,111	(84)					
Patient Days - SNF	75,960	77,263	(1,303)					
Adjusted Discharges	40,346	40,397	(51)					
Revenue:								
Gross Revenue	\$ 1,405,946,333	\$ 1,353,265,267	\$ 52,681,066 F	\$ (1,708,457)	\$ 54,389,523	\$ 34,847.23	\$ 33,499.15	\$ 1,348.08
Deductions from Rev	(994,850,261)	(938,883,067)	(55,967,194) U	1,185,312	(57,152,506)	(24,657.97)	(23,241.41)	(1,416.56)
Net Patient Revenue	411,096,072	414,382,200	(3,286,128) U	(523,145)	(2,762,983)	10,189.26	10,257.75	(68.48)
Other Oper Revenue	10,635,575	15,097,606	(4,462,031) U	(19,060)	(4,442,971)	263.61	373.73	(110.12)
Total Net Revenue	421,731,647	429,479,806	(7,748,159) U	(542,205)	(7,205,954)	10,452.87	10,631.48	(178.60)
Expenses:								
Salaries, Wages & Contr Labor	204,855,001	197,354,158	(7,500,843) U	249,154	(7,749,997)	5,077.46	4,885.37	(192.09)
Benefits	46,714,462	49,757,147	3,042,685 F	62,817	2,979,868	1,157.85	1,231.70	73.86
Supplies	66,335,973	62,914,273	(3,421,700) U	79,427	(3,501,127)	1,644.18	1,557.40	(86.78)
Prof Fees & Purch Svc	62,428,144	60,928,830	(1,499,314) U	76,921	(1,576,235)	1,547.32	1,508.25	(39.07)
Depreciation	21,582,561	21,343,632	(238,929) U	26,946	(265,875)	534.94	528.35	(6.59)
Other	25,284,048	26,393,963	1,109,915 F	33,322	1,076,593	626.68	653.36	26.68
Total Expenses	427,200,189	418,692,003	(8,508,186) U	528,586	(9,036,772)	10,588.41	10,364.43	(223.98)
Net Inc Before Non-Oper Income	(5,468,542)	10,787,803	(16,256,345) U	(13,619)	(16,242,726)	(135.54)	267.04	(402.59)
Property Tax Revenue	13,500,000	13,500,000	- -	(17,043)	17,043	334.61	334.18	0.42
Non-Operating Income	2,587,863	795,822	1,792,041 F	(1,005)	1,793,046	64.14	19.70	44.44
Net Income (Loss)	\$ 10,619,321	\$ 25,083,625	\$ (14,464,304) U	\$ (31,667)	\$ (14,432,637)	\$ 263.21	\$ 620.93	\$ (357.72)
Net Income Margin	2.4%	5.6%	(3.2%)					
OEBITDA Margin w/o Prop Tax	3.6%	7.1%	(3.5%)					
OEBITDA Margin with Prop Tax	6.6%	10.1%	(3.5%)					

F= Favorable variance
U= Unfavorable variance

F I S C A L Y E A R 2 0 0 8
Statement of Cash Flows

Fiscal Year 2008	May	YTD
CASH FLOWS FROM OPERATING ACTIVITIES:		
Income (Loss) from operations	(2,716,806)	(6,509,048)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation Expense	1,862,750	19,800,146
Provision for bad debts	2,758,690	36,897,983
Changes in operating assets and liabilities:		
Patient accounts receivable	(852,274)	(39,308,196)
Property Tax and other receivables	323,692	(24,968,580)
Inventories	285,494	(82,842)
Prepaid expenses and Other Non-Current assets	459,092	(1,412,604)
Accounts payable	15,537,590	63,567
Accrued compensation	(3,606,492)	(324,128)
Estimated settlement amounts due third-party payors	37,465	1,985,078
Other current liabilities	3,489,217	19,035,542
Net cash provided by operating activities	17,578,418	5,176,918
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net (purchases) sales of investments	4,848,103	(150,524,899)
Interest (Loss) received on investments	(200,257)	6,379,846
Investment in affiliates	(416,064)	(2,012,363)
Net cash used in investing activities	4,231,782	(146,157,416)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Receipt of G.O. Bond Taxes	1,096,279	11,468,021
Receipt of District Taxes	1,225,488	13,138,442
Net cash used in non-capital financing activities	2,321,767	24,606,463
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of property plant and equipment	(15,729,036)	(88,134,852)
Proceeds from sale of asset	0	35
Deferred Financing Costs	80,891	(15,225,034)
G.O. Bond Interest paid	0	(3,382,325)
Revenue Bond Interest paid	(1,230,793)	(3,086,995)
Proceeds from issuance of debt	0	246,791,175
Payments of Long Term Debt	0	(13,220,000)
Net cash used in activities	(16,878,938)	123,742,003
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,253,030	7,367,969
CASH AND CASH EQUIVALENTS - Beginning of period	5,376,287	5,261,349
CASH AND CASH EQUIVALENTS - End of period	12,629,317	12,629,317

Summary of Key Indicators & Results

Fiscal Year-to-Date

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>FY 2007</u>
<u>ADMISSIONS - Acute:</u>				
Palomar Medical Center	19,928	21,113	(1,185)	20,301
Pomerado Hospital	6,644	6,267	377	6,288
Total:	<u>26,572</u>	<u>27,380</u>	<u>(808)</u>	<u>26,589</u>
<u>ADMISSIONS - SNF:</u>				
Palomar Medical Center	477	541	(64)	530
Pomerado Hospital	521	512	9	513
Total:	<u>998</u>	<u>1,053</u>	<u>(55)</u>	<u>1,043</u>
<u>PATIENT DAYS - Acute:</u>				
Palomar Medical Center	77,408	79,095	(1,687)	77,220
Pomerado Hospital	27,267	25,664	1,603	26,036
Total:	<u>104,675</u>	<u>104,759</u>	<u>(84)</u>	<u>103,256</u>
<u>PATIENT DAYS- SNF:</u>				
Palomar Medical Center	28,285	29,481	(1,196)	29,247
Pomerado Hospital	41,364	41,471	(107)	41,490
Total:	<u>69,649</u>	<u>70,952</u>	<u>(1,303)</u>	<u>70,737</u>

Summary of Key Indicators & Results

Fiscal Year-to-Date

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>FY 2007</u>
<u>EMERGENCY ROOM VISITS & TRAUMA CASES:</u>				
Palomar Medical Center	46,027	43,078	2,949	42,275
Pomerado Hospital	22,405	23,315	(910)	20,945
Total:	<u>68,432</u>	<u>66,393</u>	<u>2,039</u>	<u>63,220</u>
<u>EMERGENCY & TRAUMA ADMISSIONS:</u>				
Palomar Medical Center	10,011	10,504	(493)	10,258
Pomerado Hospital	3,313	3,480	(167)	3,705
Total:	<u>13,324</u>	<u>13,984</u>	<u>(660)</u>	<u>13,963</u>
<u>SURGERIES:</u>				
Palomar Medical Center	9,800	9,921	(121)	7,271
Pomerado Hospital	6,360	6,179	181	6,308
Total:	<u>16,160</u>	<u>16,100</u>	<u>60</u>	<u>13,579</u>
<u>BIRTHS:</u>				
Palomar Medical Center	3,855	4,043	(188)	3,963
Pomerado Hospital	1,098	1,008	90	990
Total:	<u>4,953</u>	<u>5,051</u>	<u>(98)</u>	<u>4,953</u>

Summary of Key Indicators & Results
Fiscal Year-to-Date

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>FY 2007</u>
<u>WEIGHTED PATIENT DAYS</u>				
Palomar Medical Center	102,252	100,745	1,507	98,532
Pomerado Hospital	42,534	40,753	1,781	40,933
Other Activities	2,320	2,193	127	2,910
Total:	<u>147,106</u>	<u>143,691</u>	<u>3,415</u>	<u>142,375</u>
<u>ADJUSTED DISCHARGES</u>				
Palomar Medical Center	26,454	26,909	(455)	26,130
Pomerado Hospital	9,858	9,404	454	10,126
Other Activities	722	772	(50)	890
Total:	<u>37,034</u>	<u>37,085</u>	<u>(51)</u>	<u>37,146</u>
<u>AVERAGE LENGTH OF STAY- Acute:</u>				
Palomar Medical Center	3.86	3.75	0.11	3.77
Pomerado Hospital	4.07	4.10	(0.03)	4.11
Total:	<u>3.91</u>	<u>3.83</u>	<u>0.08</u>	<u>3.85</u>
<u>AVERAGE LENGTH OF STAY - SNF:</u>				
Palomar Medical Center	60.83	55.62	5.21	56.79
Pomerado Hospital	79.09	81.00	(1.91)	80.10
Total:	<u>70.49</u>	<u>68.09</u>	<u>2.40</u>	<u>68.48</u>

Supplies Expense
Year-to-Date

Account	Descriptions	ACTUAL	BUDGET	VARIANCE
631000	Prosthesis	14,537,013	12,898,919	(1,638,094)
634000	Surgery General	4,402,199	3,646,005	(756,194)
650000	Other Non Medical	6,568,042	5,893,275	(674,767)
641000	Other Medical	13,609,513	13,000,260	(609,253)
649000	Other Minor Equipment	1,113,370	737,919	(375,451)
646000	Office / Admin	1,081,402	977,526	(103,876)
636000	Oxygen / Gas	308,207	241,887	(66,320)
642000	Food / Meat	532,256	470,909	(61,347)
647000	Employee Apparel	145,562	85,252	(60,310)
639000	Radioactive	756,305	713,490	(42,815)
645000	Supplies Cleaning	391,502	352,280	(39,222)
635000	Anesthesia Material	15,913	7,948	(7,965)
632000	Sutures / Surg Needles	1,425,019	1,418,579	(6,440)
644000	Supplies Linen	29,889	24,602	(5,287)
633000	Surgical Pack	1,714,766	1,713,880	(886)
648000	Instruments / Minor Equipment	363,769	383,135	19,366
637000	IV Solutions	439,249	474,556	35,307
640000	X-ray Material	33,290	69,954	36,664
643000	Food Other	2,379,846	2,420,103	40,257
646100	Forms	518,515	559,801	41,286
638000	Pharmaceutical	10,810,168	11,663,815	853,647
Total		61,175,795	57,754,095	(3,421,700)

da Vinci \$353,245

FISCAL YEAR 2008

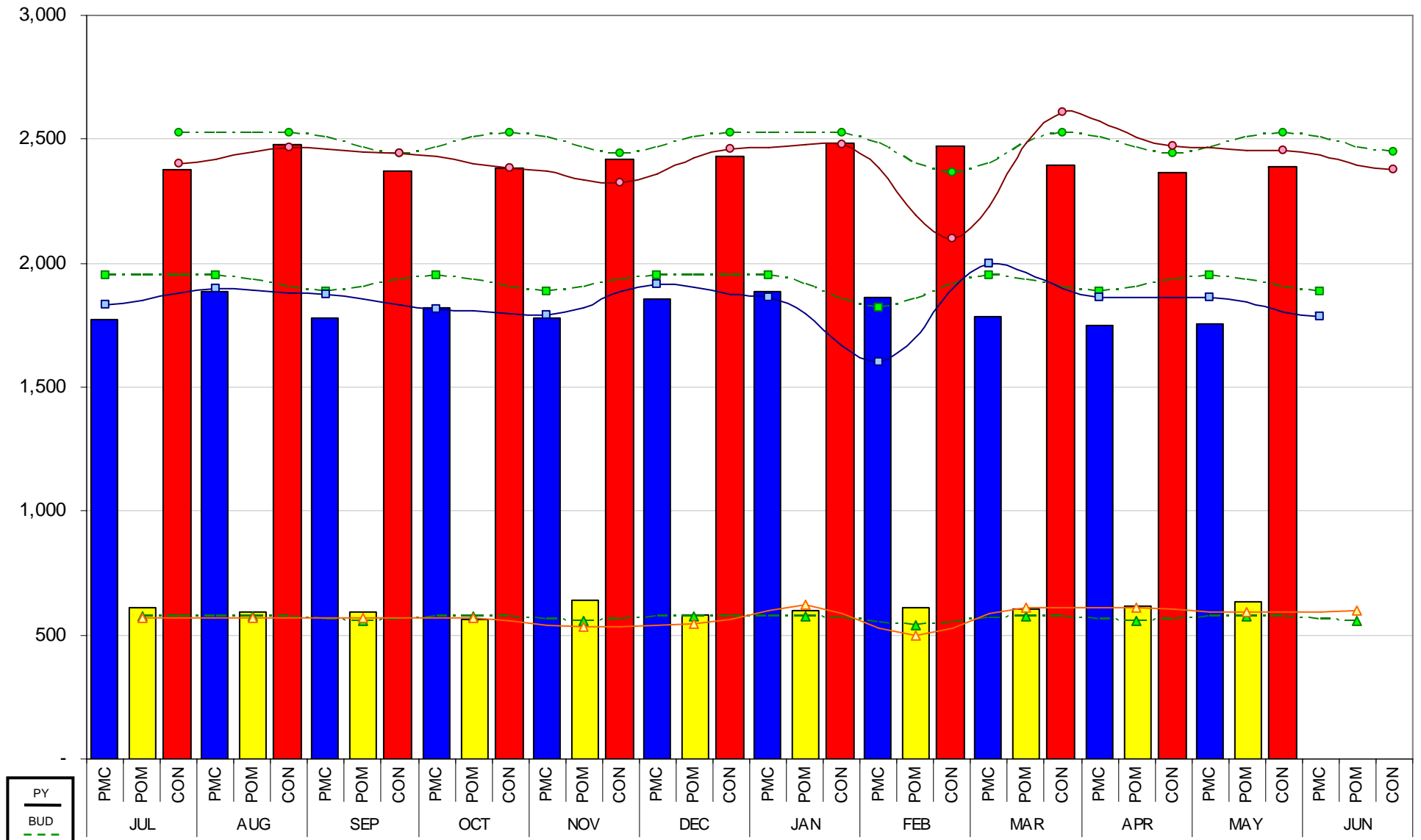
Bond Covenant Ratios

Cushion Ratio	Jun-06	Jun-07	May-08
Cash and Cash Equivalents	112,036,430	109,213,349	86,792,518
Board Designated Reserves	9,267,526	-	10,441,218
Trustee-held Funds (Revenue Fund only)	252,463	249,531	170,997
Total	121,556,419	109,462,880	97,404,733
Divided by:			
Annual Debt Service (excludes GO Bonds) (Bond Year 11/1/2008)	10,697,594	16,972,692	16,972,692
Cushion Ratio	11.4	6.4	5.7
REQUIREMENT	1.5	1.5	1.5
	Achieved	Achieved	Achieved

Days Cash on Hand	Jun-06	Jun-07	May-08
Cash and Cash Equivalents	112,036,430	109,213,349	86,792,518
Board Designated Reserves	9,267,526	-	10,441,218
Trustee-held Funds (Revenue Fund only)	252,463	249,531	170,997
Total	121,556,419	109,462,880	97,404,733
Divide Total by Average Adjusted Expenses per Day			
Total Expenses	364,120,335	385,355,509	393,005,205
Less: Depreciation	18,737,467	19,453,013	19,800,146
Adjusted Expenses	345,382,868	365,902,496	373,205,059
Number of days in period	365	365	336
Average Adjusted Expenses per Day	946,254	1,002,473	1,110,729
Days Cash on Hand	128	109	88
REQUIREMENT	90	80	80
	Achieved	Achieved	Achieved

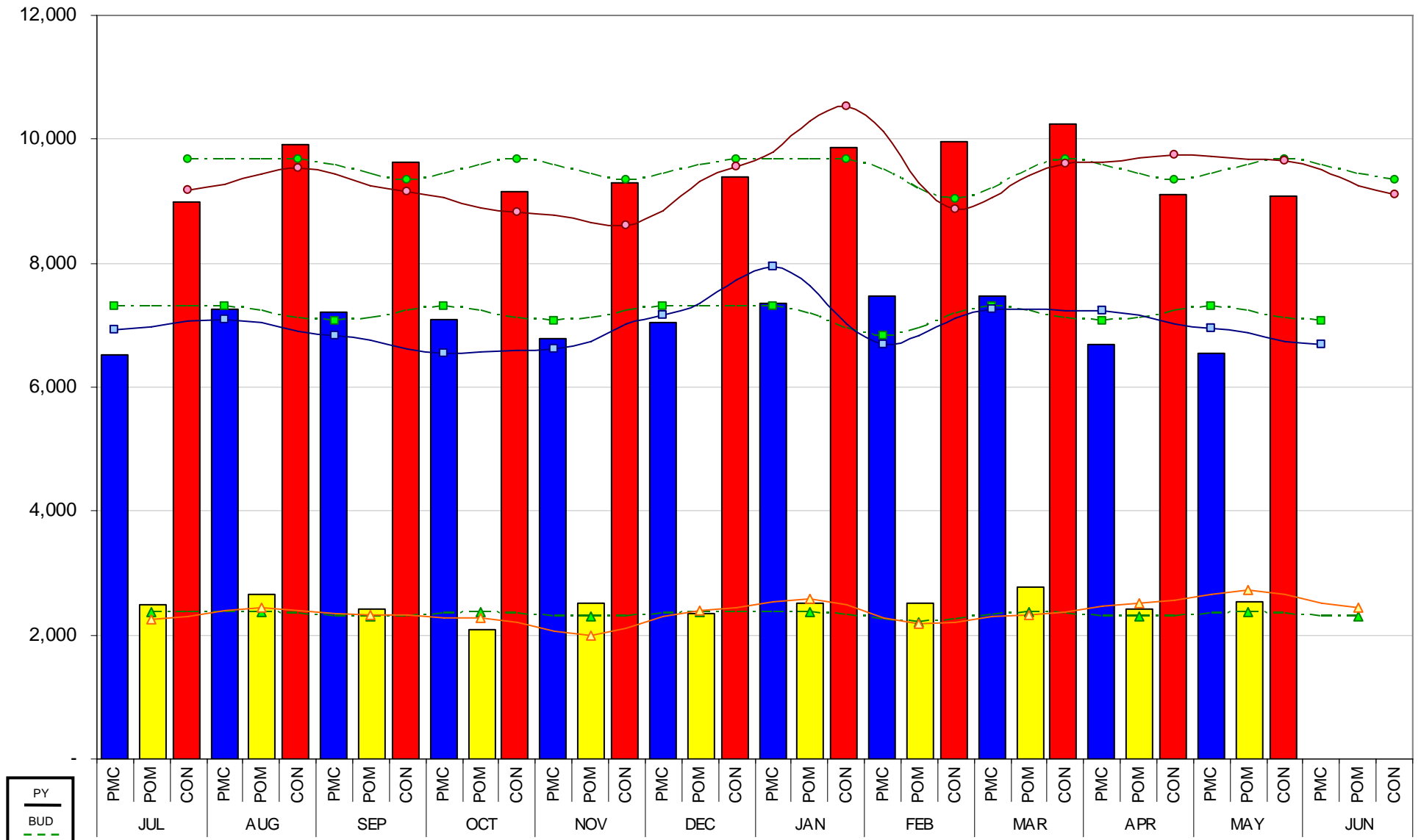
Net Income Available for Debt Service	Jun-06	Jun-07	May-08
Excess of revenue over expenses Cur Mo.	1,315,850	2,963,446	(2,122,797)
Excess of revenues over expenses YTD (General Funds)	11,558,633	21,974,509	8,387,494
ADD:			
Depreciation and Amortization	18,737,467	19,453,013	19,800,146
Interest Expense	4,405,929	3,343,683	4,179,161
Net Income Available for Debt Service	34,702,029	44,771,205	32,366,801
Aggregate Debt Service			
1993 Insured Refunding Revenue Bonds	3,639,772	0	0
1999 Insured Refunding Revenue Bonds	6,950,508	8,249,916	7,563,311
2006 Certificates of Participation		4,373,342	7,179,631
Aggregate Debt Service	10,590,280	12,623,258	14,742,943
Net Income Available for Debt Service	3.28	3.55	2.20
Required Coverage	1.15	1.15	1.15
	Achieved	Achieved	Achieved

Statistical Indicators
Admissions – Acute

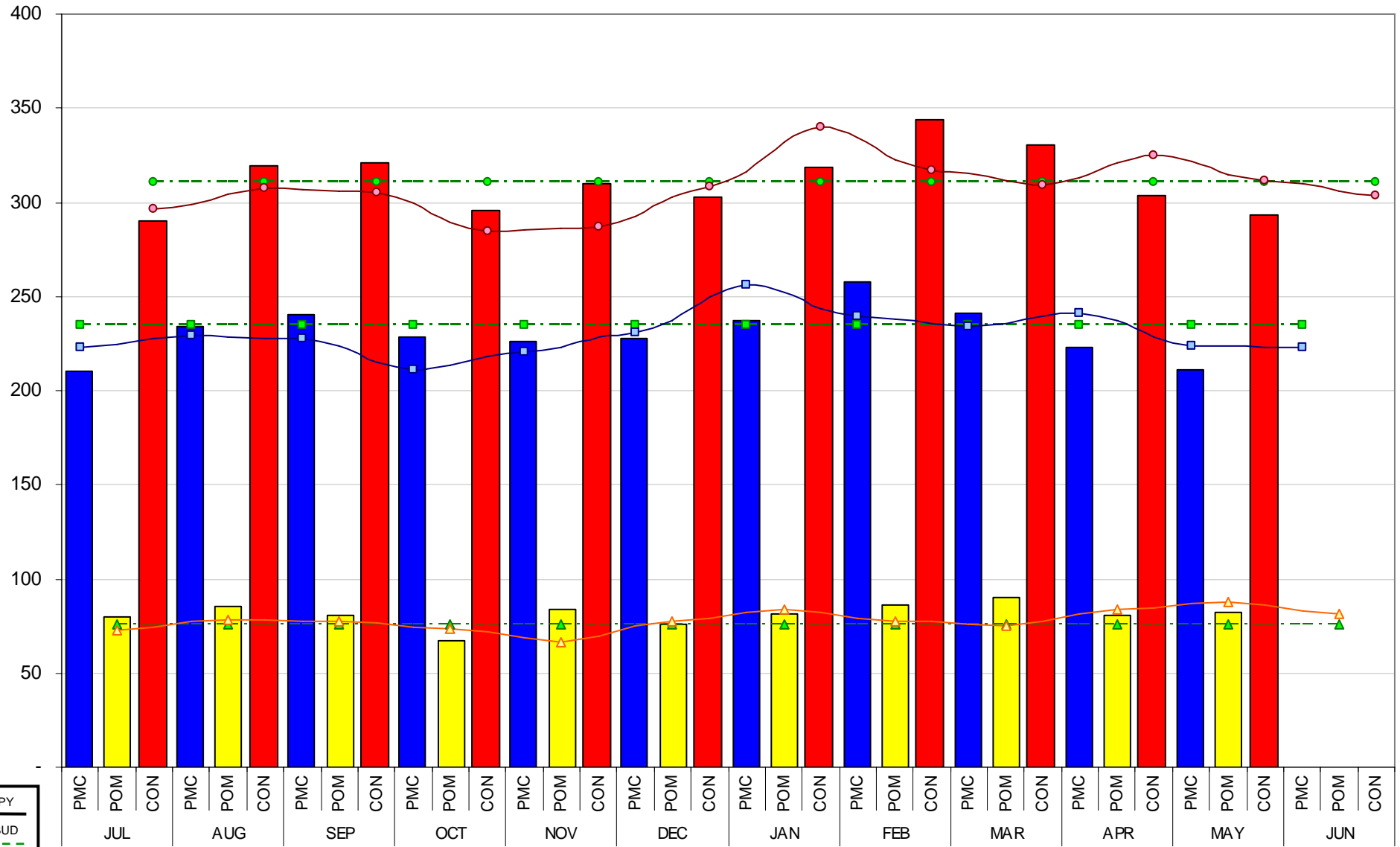


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	B-YTD
PMC	1,770	1,885	1,777	1,823	1,780	1,853	1,886	1,864	1,787	1,747	1,756	-	19,928	21,113
POM	608	595	592	563	640	579	600	608	607	617	635	-	6,644	6,267
CON	2,378	2,480	2,369	2,386	2,420	2,432	2,486	2,472	2,394	2,364	2,391	-	26,572	27,380

Statistical Indicators
Patient Days – Acute



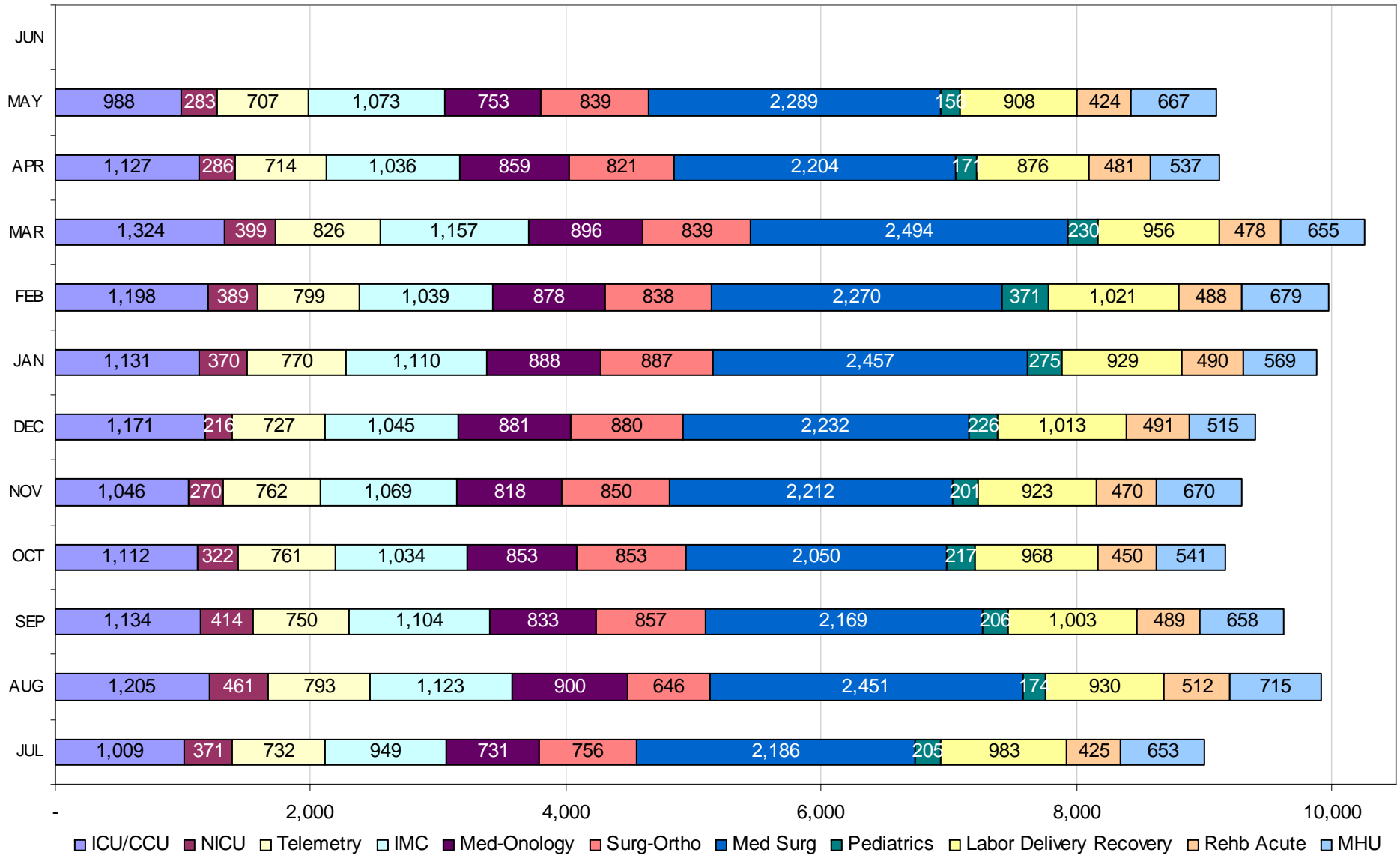
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	B-YTD
PMC	6,516	7,255	7,205	7,081	6,789	7,049	7,351	7,466	7,468	6,689	6,539	-	77,408	79,095
POM	2,484	2,655	2,412	2,080	2,502	2,348	2,525	2,504	2,786	2,423	2,548	-	27,267	25,664
CON	9,000	9,910	9,617	9,161	9,291	9,397	9,876	9,970	10,254	9,112	9,087	-	104,675	104,759



PY
BUD

	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	210	234	240	228	226	227	237	257	241	223	211	-	230	235
POM	80	86	80	67	83	76	81	86	90	81	82	-	81	76
CON	290	320	321	296	310	303	319	344	331	304	293	-	312	312

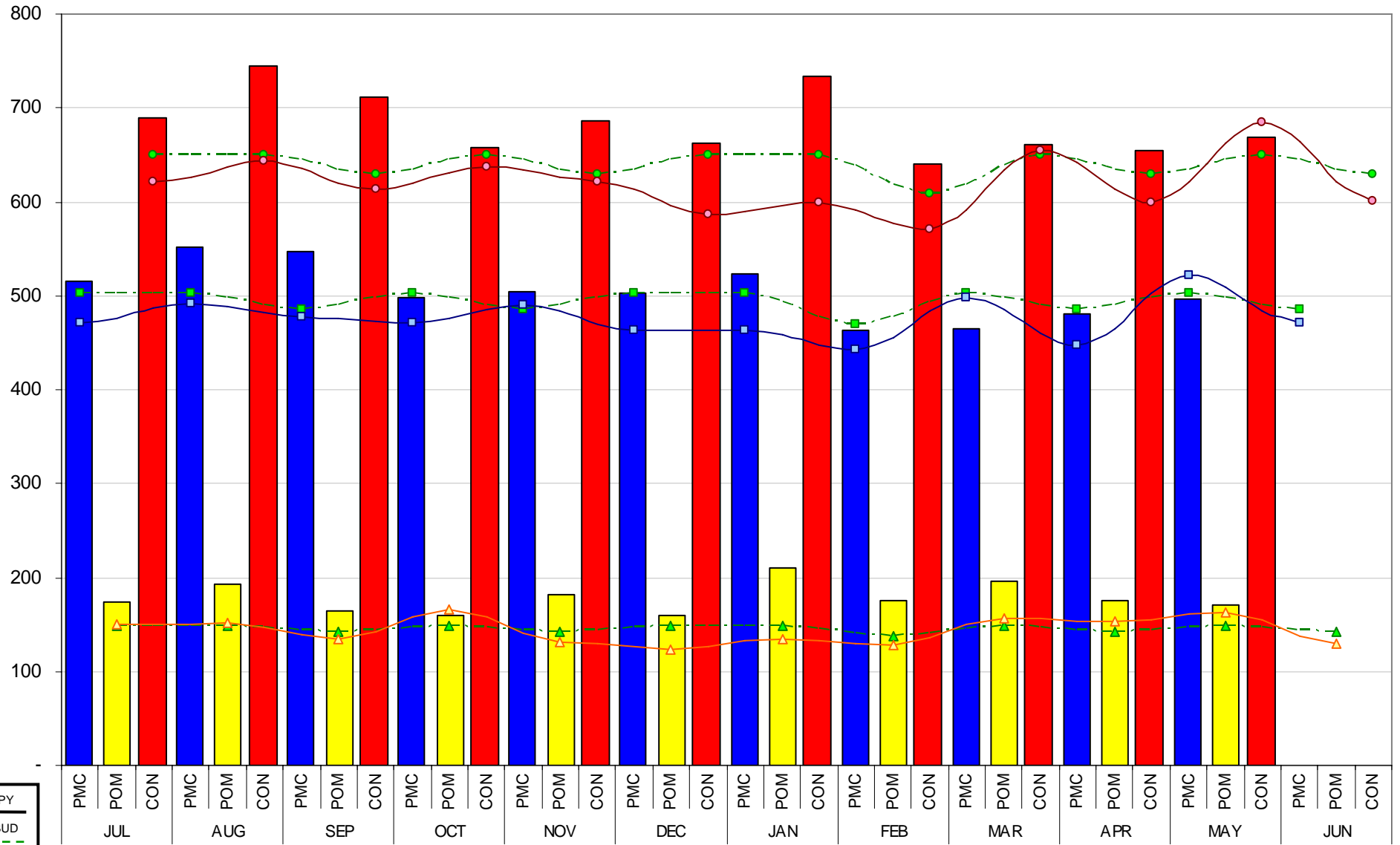
Statistical Indicators
Patient Days



	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	6,516	7,255	7,205	7,081	6,789	7,049	7,351	7,466	7,468	6,689	6,539	-	77,408	79,095
POM	2,484	2,655	2,412	2,080	2,502	2,348	2,525	2,504	2,786	2,423	2,548	-	27,267	25,664
CON	9,000	9,910	9,617	9,161	9,291	9,397	9,876	9,970	10,254	9,112	9,087	-	104,675	104,759

Statistical Indicators

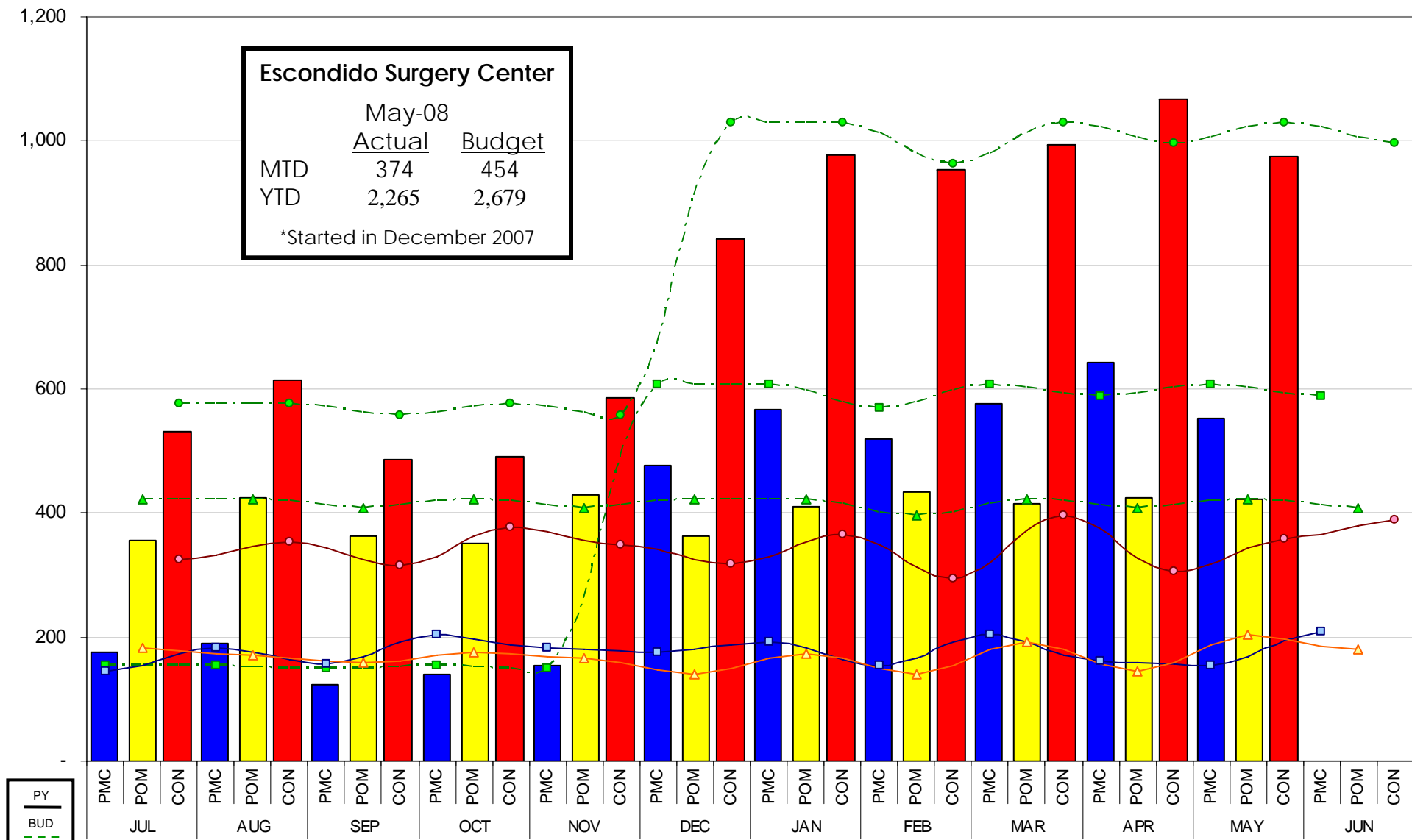
Surgeries (Inpatient only)



PY
BUD

	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	516	552	547	498	504	502	524	464	465	480	497	-	5,549	5,442
POM	174	193	165	160	182	160	210	176	196	175	171	-	1,962	1,603
CON	690	745	712	658	686	662	734	640	661	655	668	-	7,511	7,045

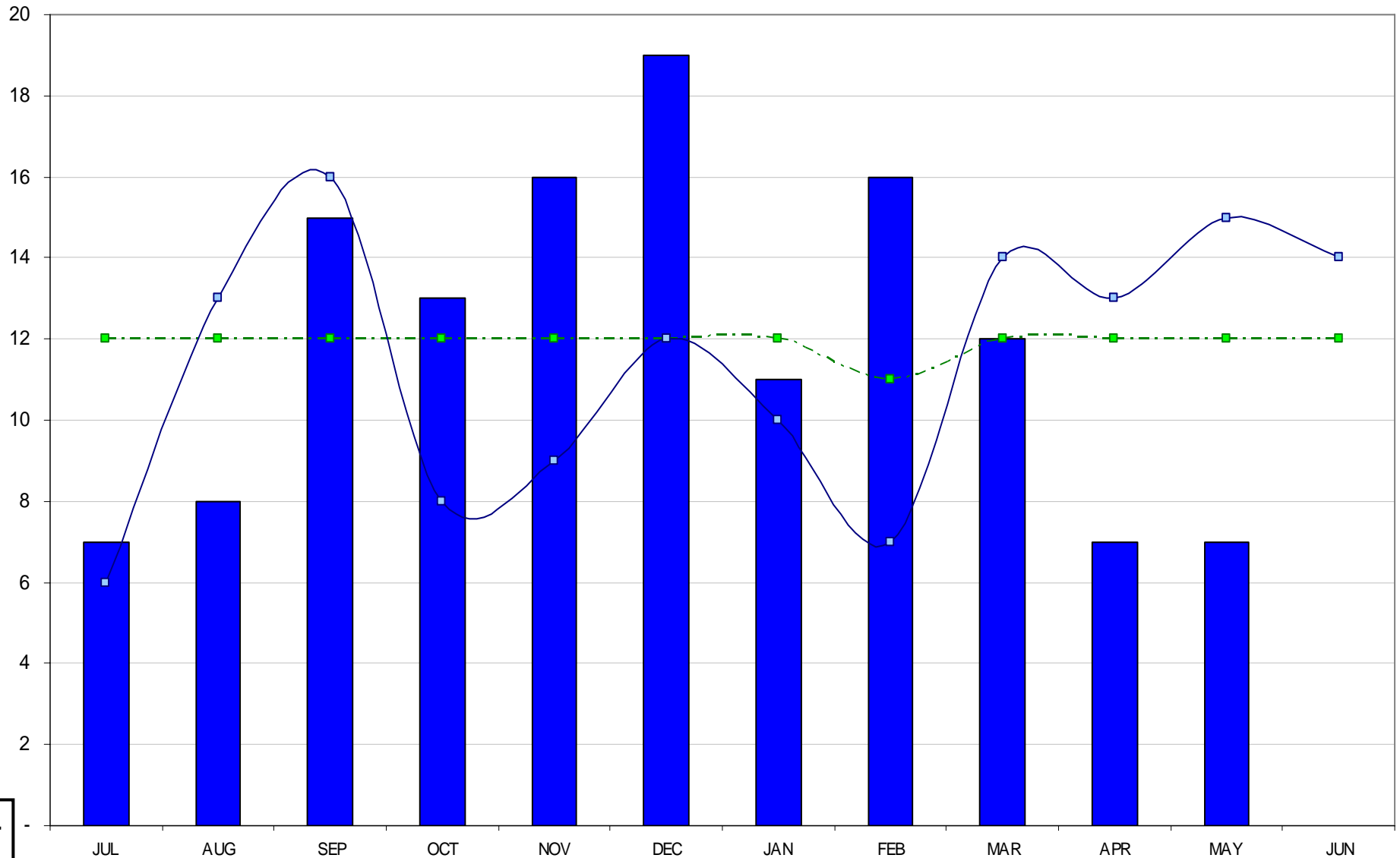
Statistical Indicators
Surgeries (Outpatient only)



Escondido Surgery Center
May-08
Actual Budget
MTD 374 454
YTD 2,265 2,679
*Started in December 2007

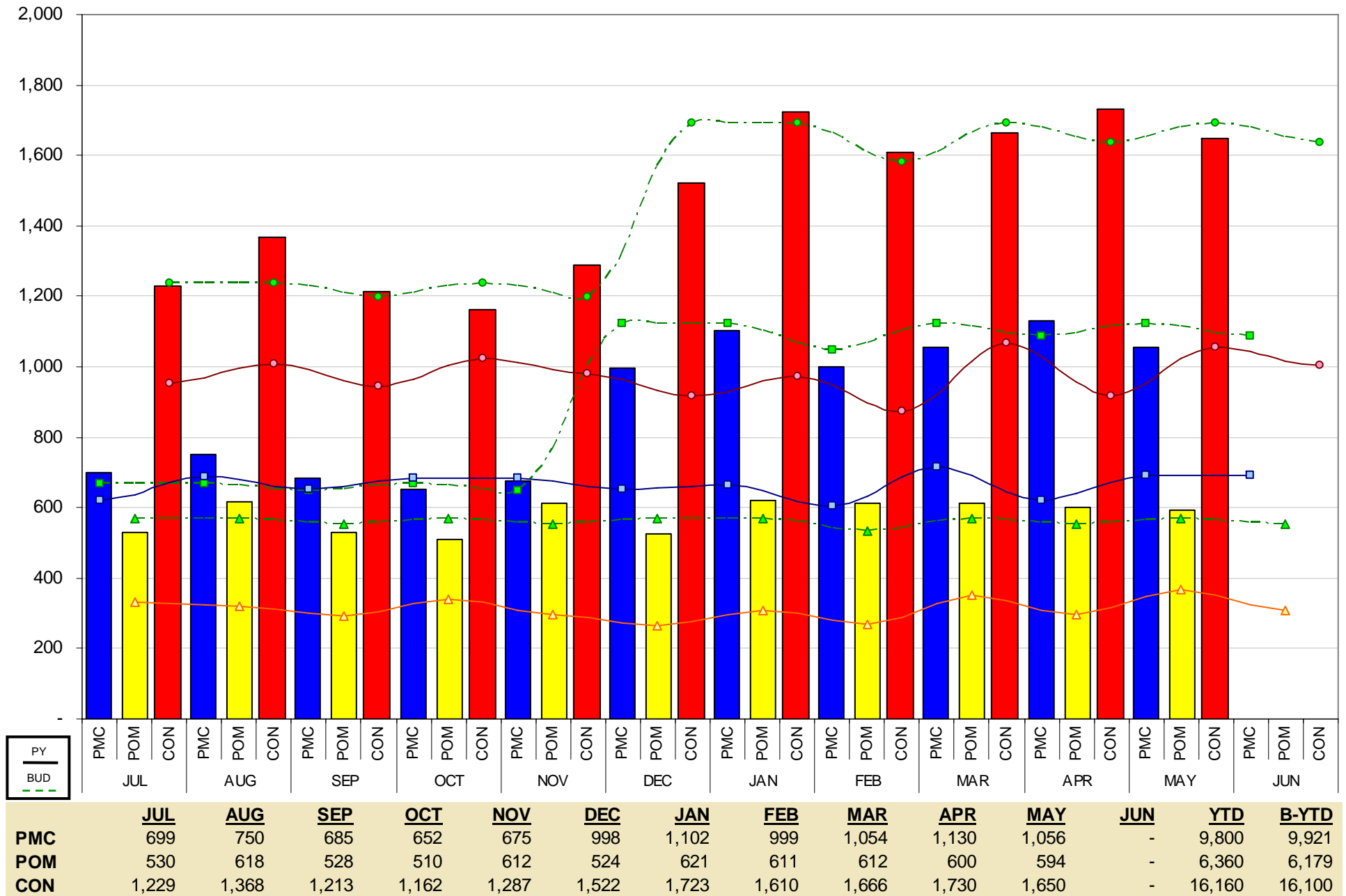
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	B-YTD
PMC	176	190	123	141	155	477	567	519	577	643	552	-	4,120	4,348
POM	356	425	363	350	430	364	411	435	416	425	423	-	4,398	4,576
CON	532	615	486	491	585	841	978	954	993	1,068	975	-	8,518	8,924

Statistical Indicators
Surgeries – CVS (PMC only)



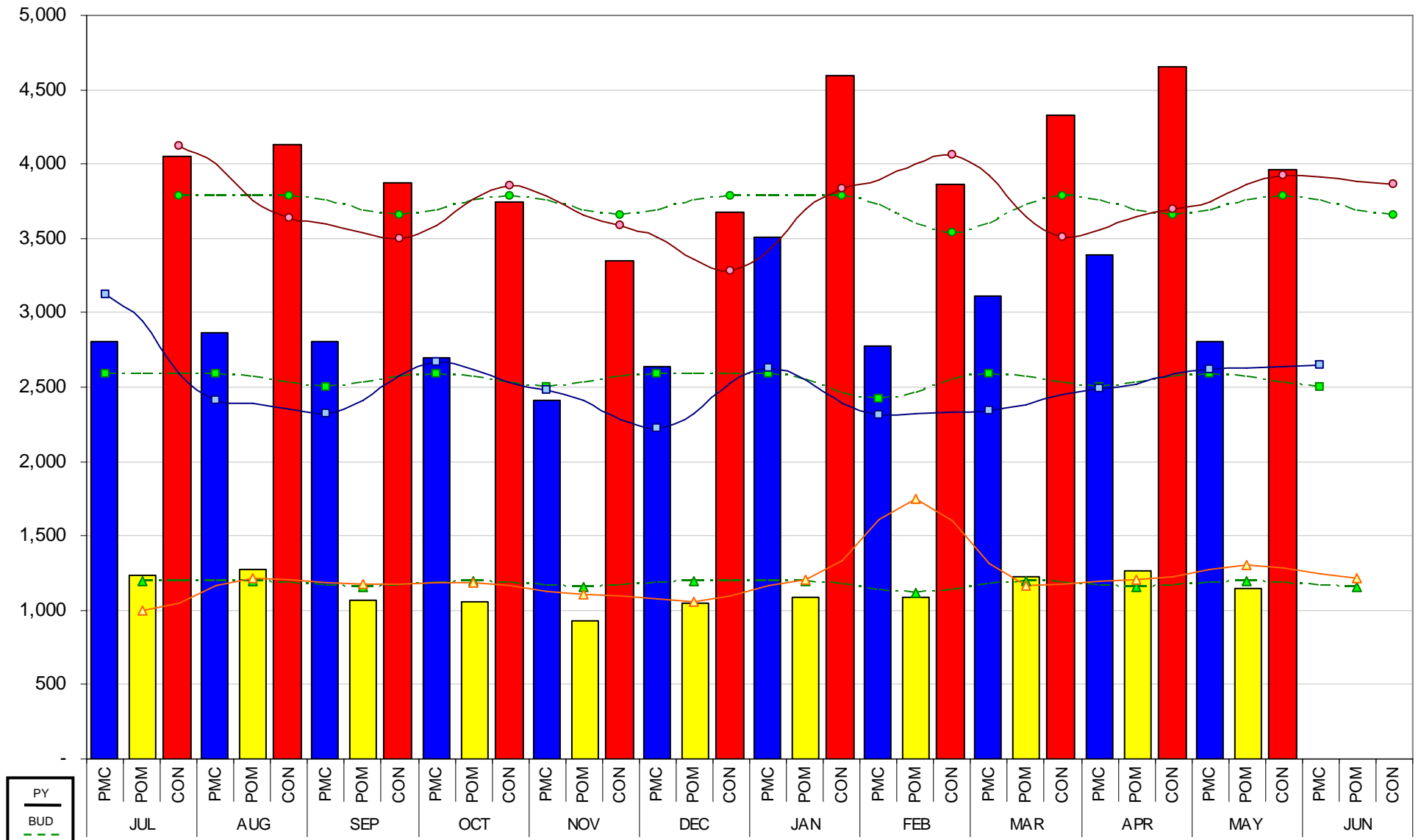
	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	7	8	15	13	16	19	11	16	12	7	7	-	131	131
POM	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CON	7	8	15	13	16	19	11	16	12	7	7	-	131	131

Statistical Indicators
Total Surgeries



Statistical Indicators

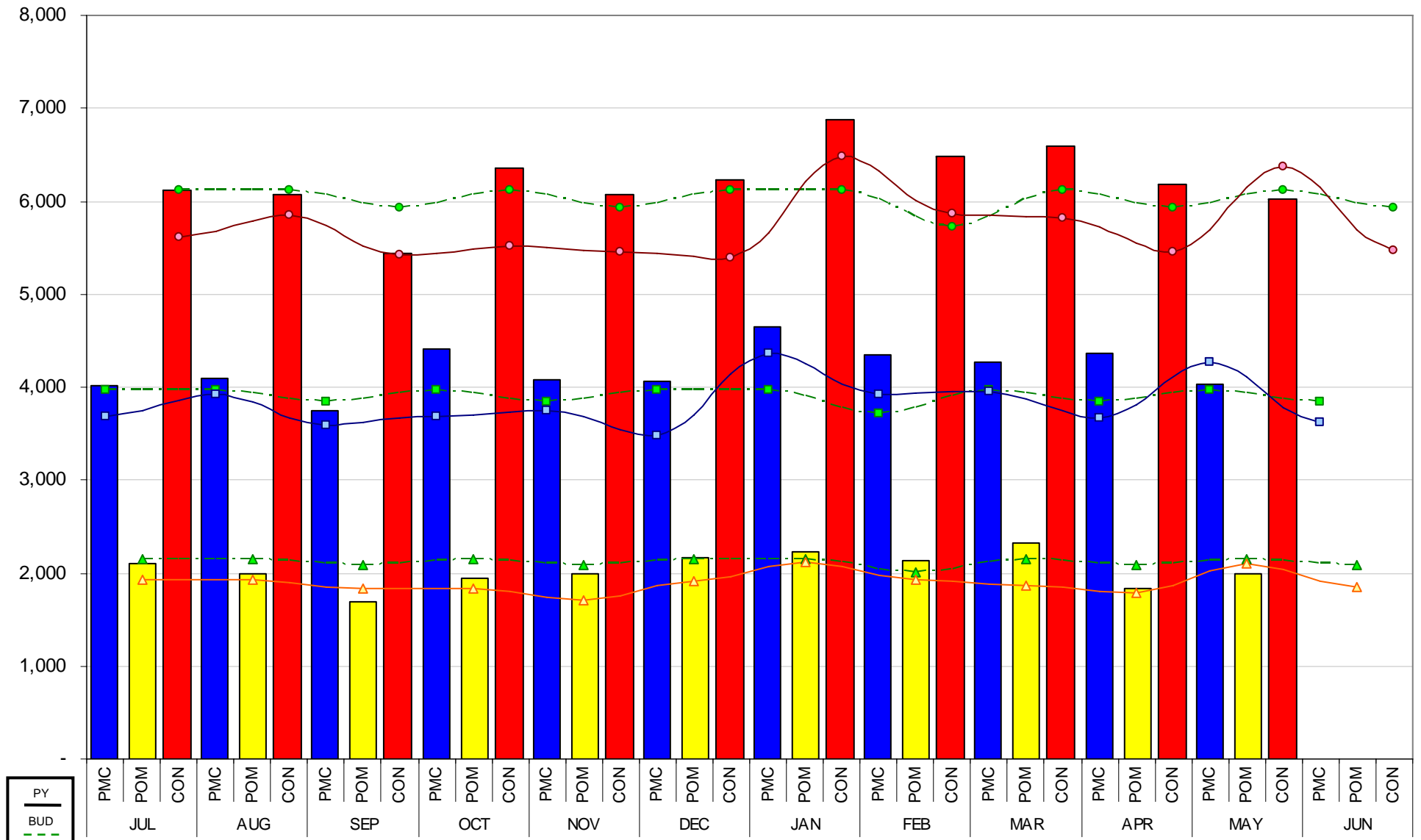
Outpatient Registrations (excludes Lab)



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	B-YTD
PMC	2,811	2,861	2,808	2,693	2,414	2,635	3,510	2,774	3,110	3,392	2,811	-	31,819	28,049
POM	1,238	1,274	1,066	1,057	932	1,044	1,085	1,086	1,223	1,261	1,147	-	12,413	12,943
CON	4,049	4,135	3,874	3,750	3,346	3,679	4,595	3,860	4,333	4,653	3,958	-	44,232	40,992

Statistical Indicators

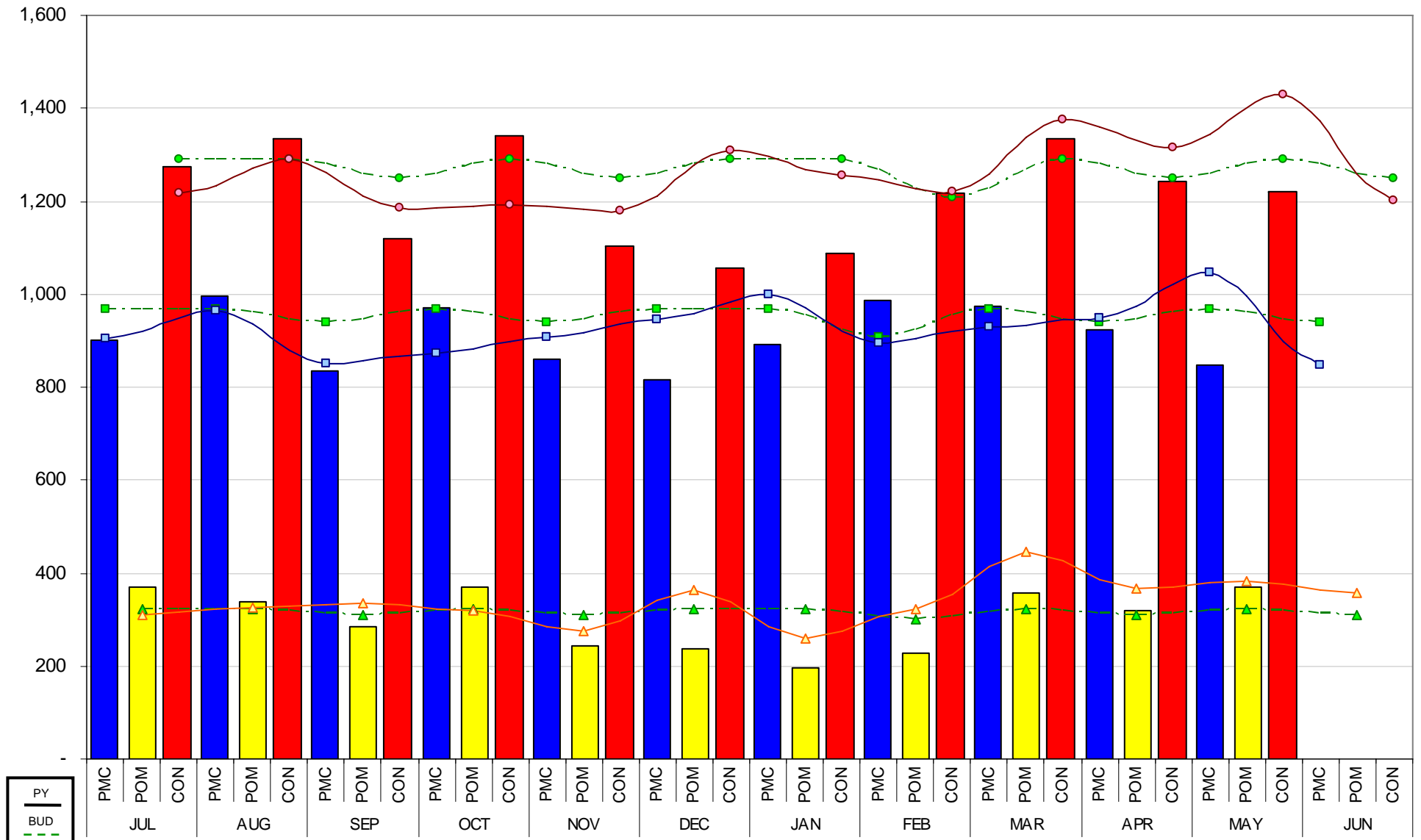
ER Visits (includes Trauma, Outpatient only)



	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	4,014	4,087	3,743	4,404	4,080	4,060	4,645	4,345	4,266	4,359	4,024	-	46,027	43,078
POM	2,110	1,990	1,688	1,947	1,988	2,170	2,235	2,134	2,322	1,829	1,992	-	22,405	23,315
CON	6,124	6,077	5,431	6,351	6,068	6,230	6,880	6,479	6,588	6,188	6,016	-	68,432	66,393
CON/DAY	198	196	181	205	202	201	222	223	213	206	194	-	204	198

Statistical Indicators

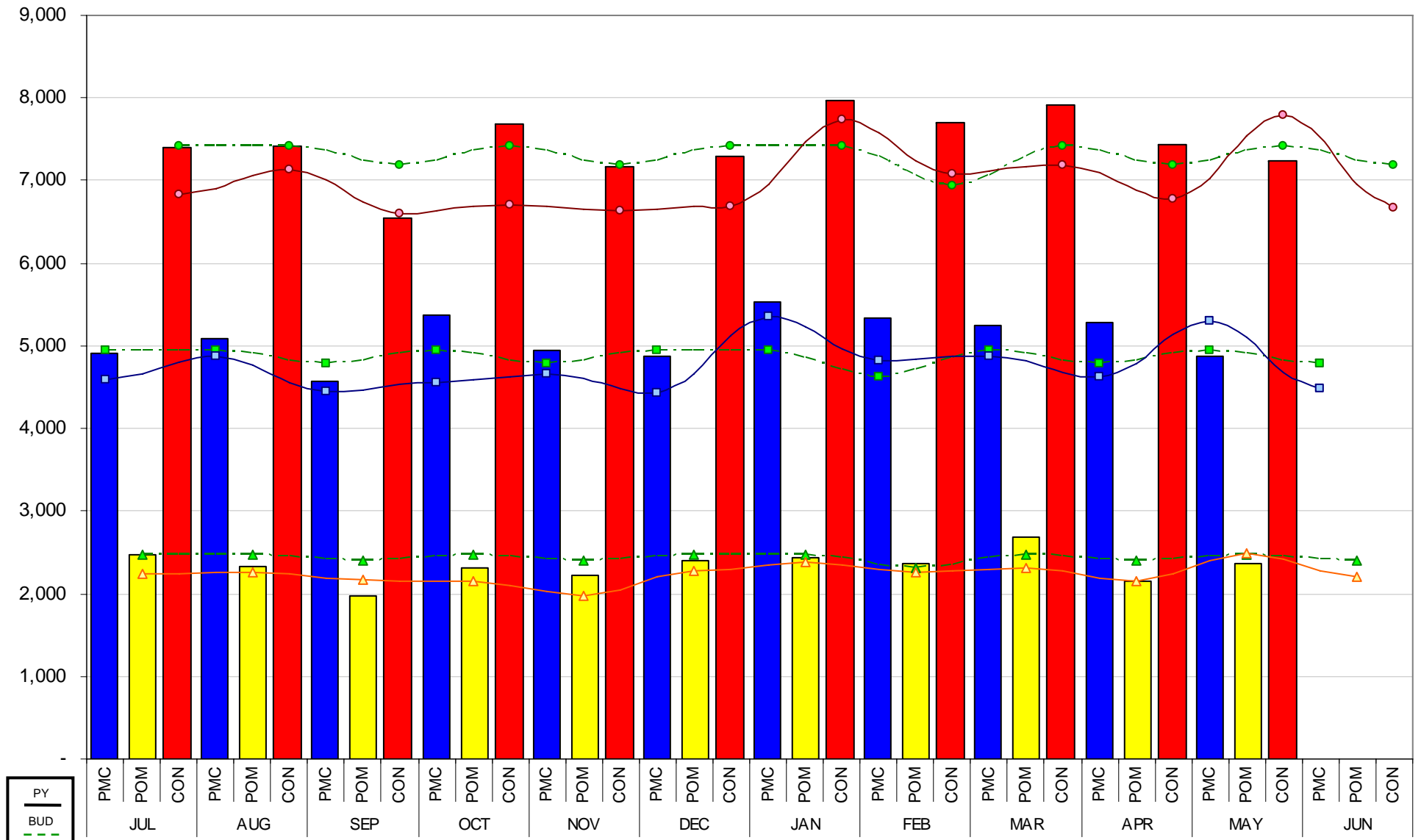
ER Admissions (includes Trauma, Inpatient only)



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	B-YTD
PMC	902	997	835	971	861	817	893	988	975	923	849	-	10,011	10,504
POM	371	337	284	370	243	238	195	228	358	319	370	-	3,313	3,480
CON	1,273	1,334	1,119	1,341	1,104	1,055	1,088	1,216	1,333	1,242	1,219	-	13,324	13,984

Statistical Indicators

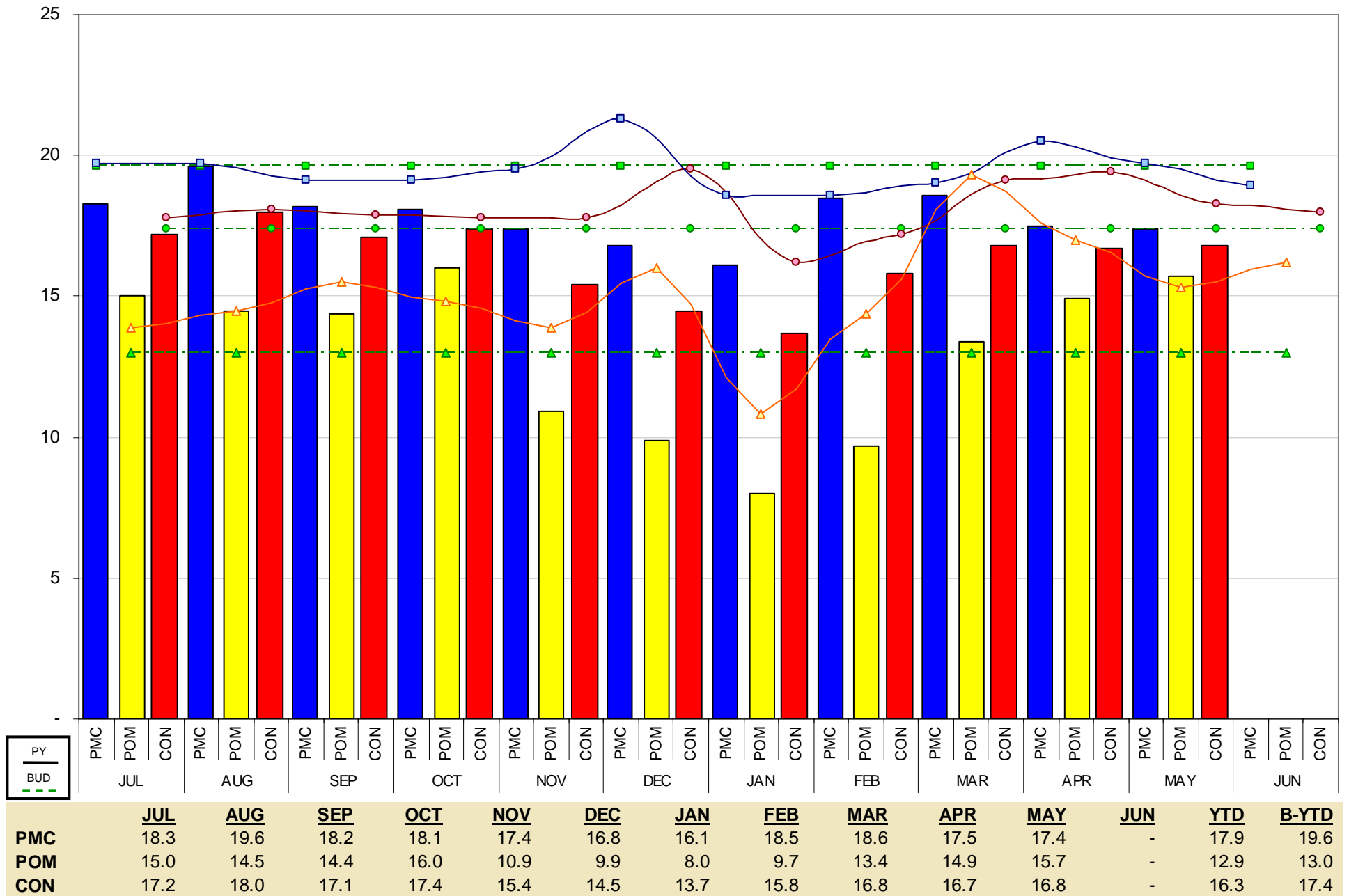
Total ER Visits (includes Trauma & Admissions)



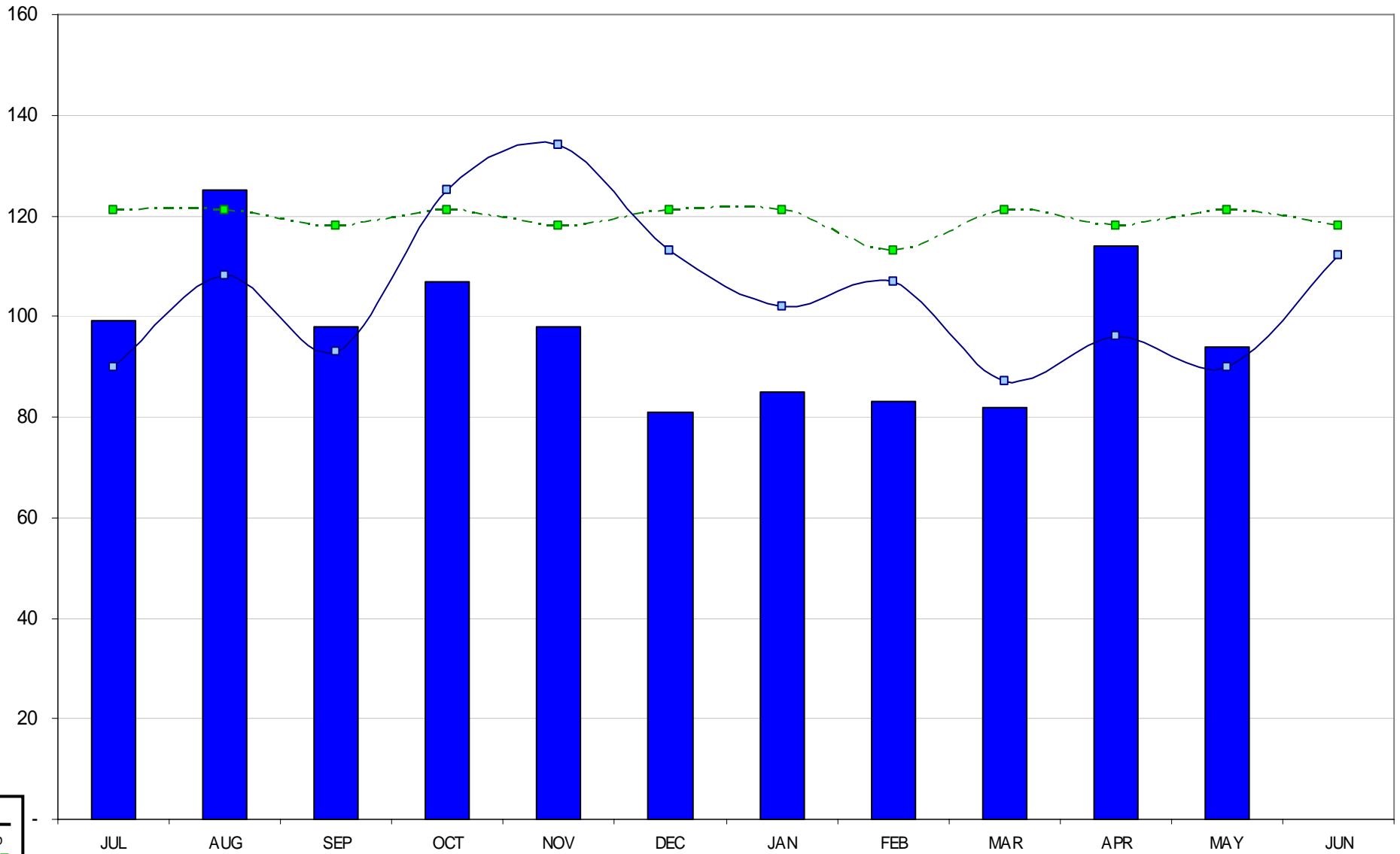
	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	4,916	5,084	4,578	5,375	4,941	4,877	5,538	5,333	5,241	5,282	4,873	-	56,038	53,582
POM	2,481	2,327	1,972	2,317	2,231	2,408	2,430	2,362	2,680	2,148	2,362	-	25,718	26,795
CON	7,397	7,411	6,550	7,692	7,172	7,285	7,968	7,695	7,921	7,430	7,235	-	81,756	80,377

Statistical Indicators

ER Conversion (ER Admits as % of ER Visits)



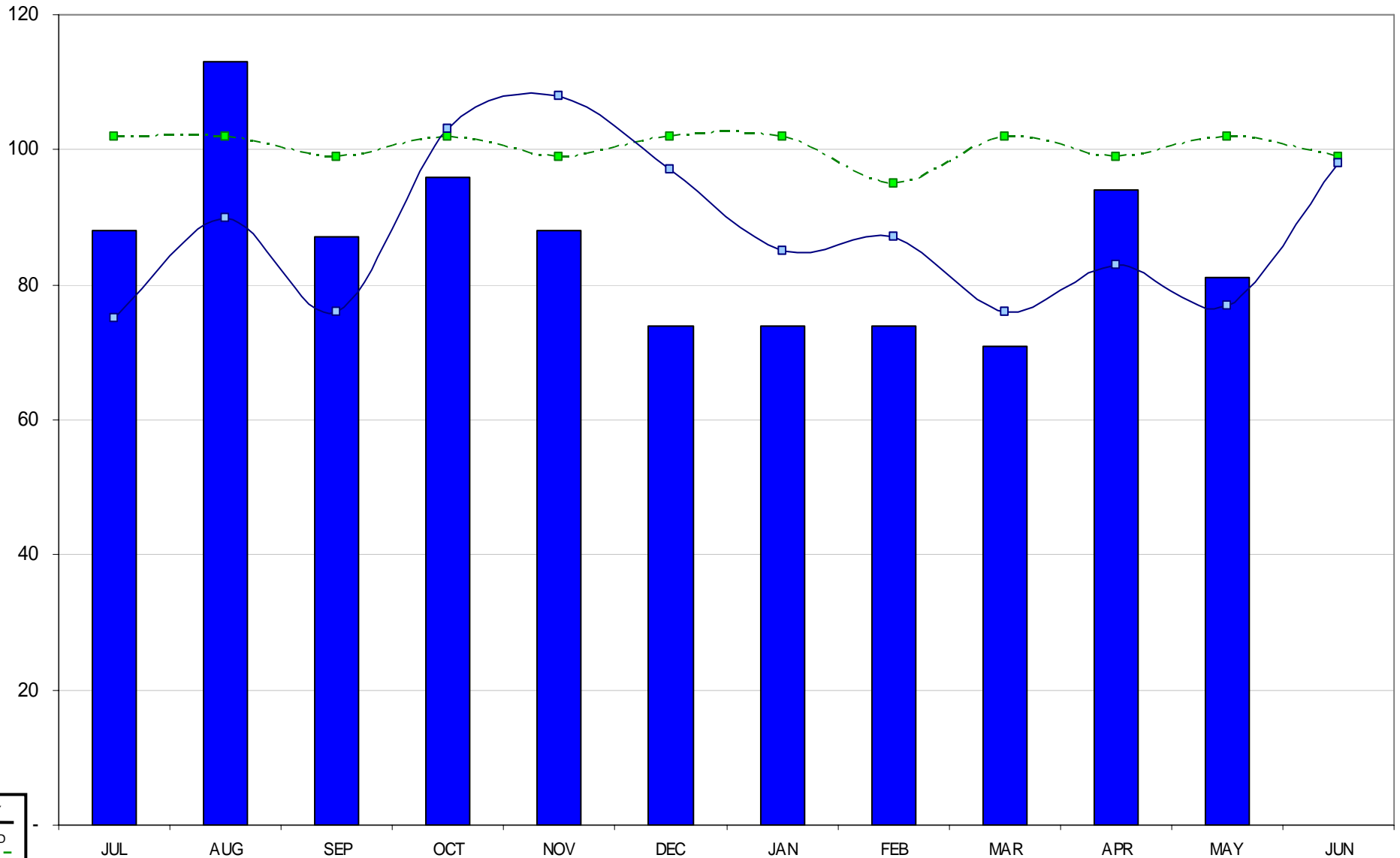
Statistical Indicators
Trauma Cases (PMC only)



	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	99	125	98	107	98	81	85	83	82	114	94	-	1,066	1,314
POM	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CON	99	125	98	107	98	81	85	83	82	114	94	-	1,066	1,314

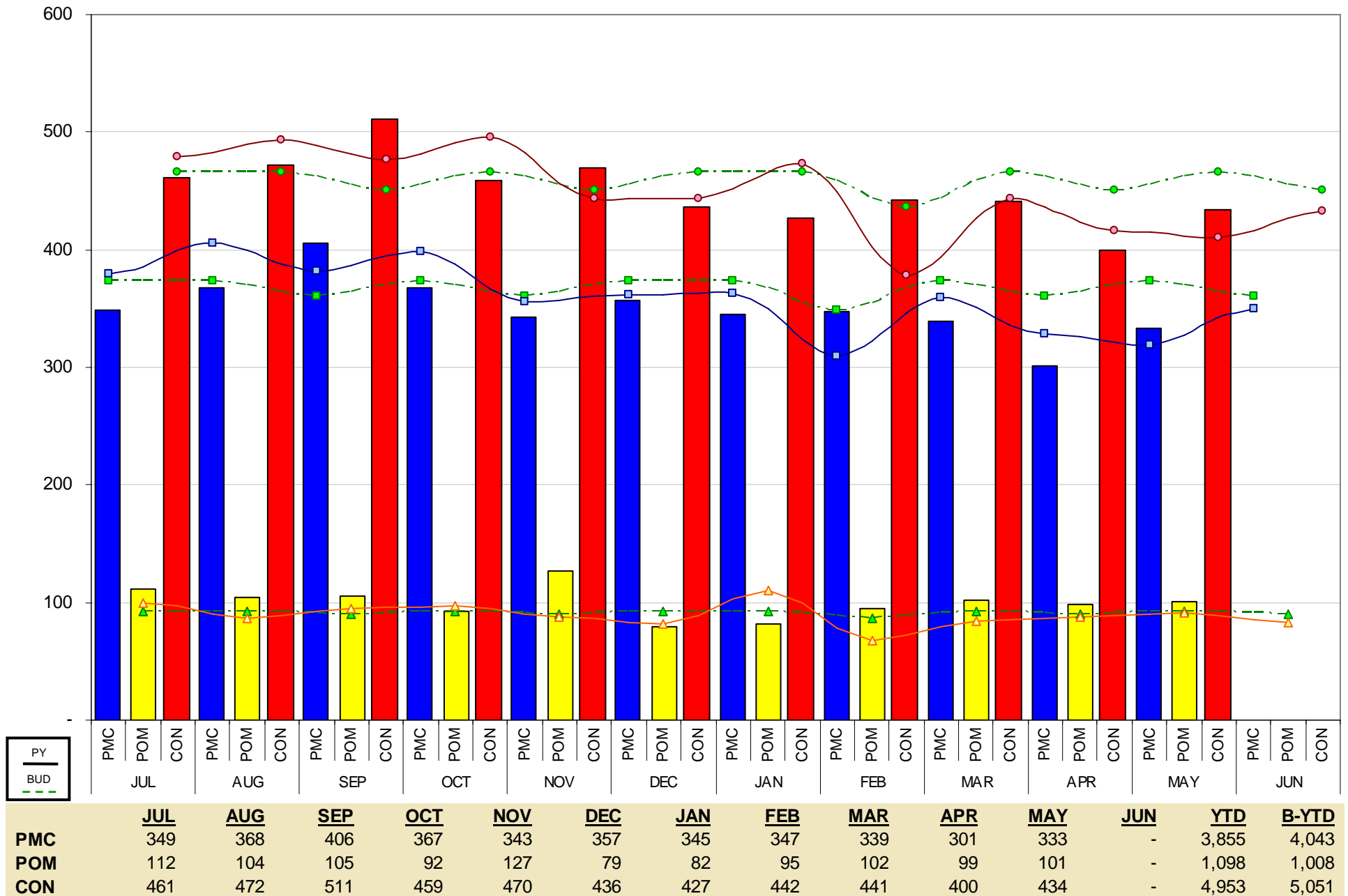
Statistical Indicators

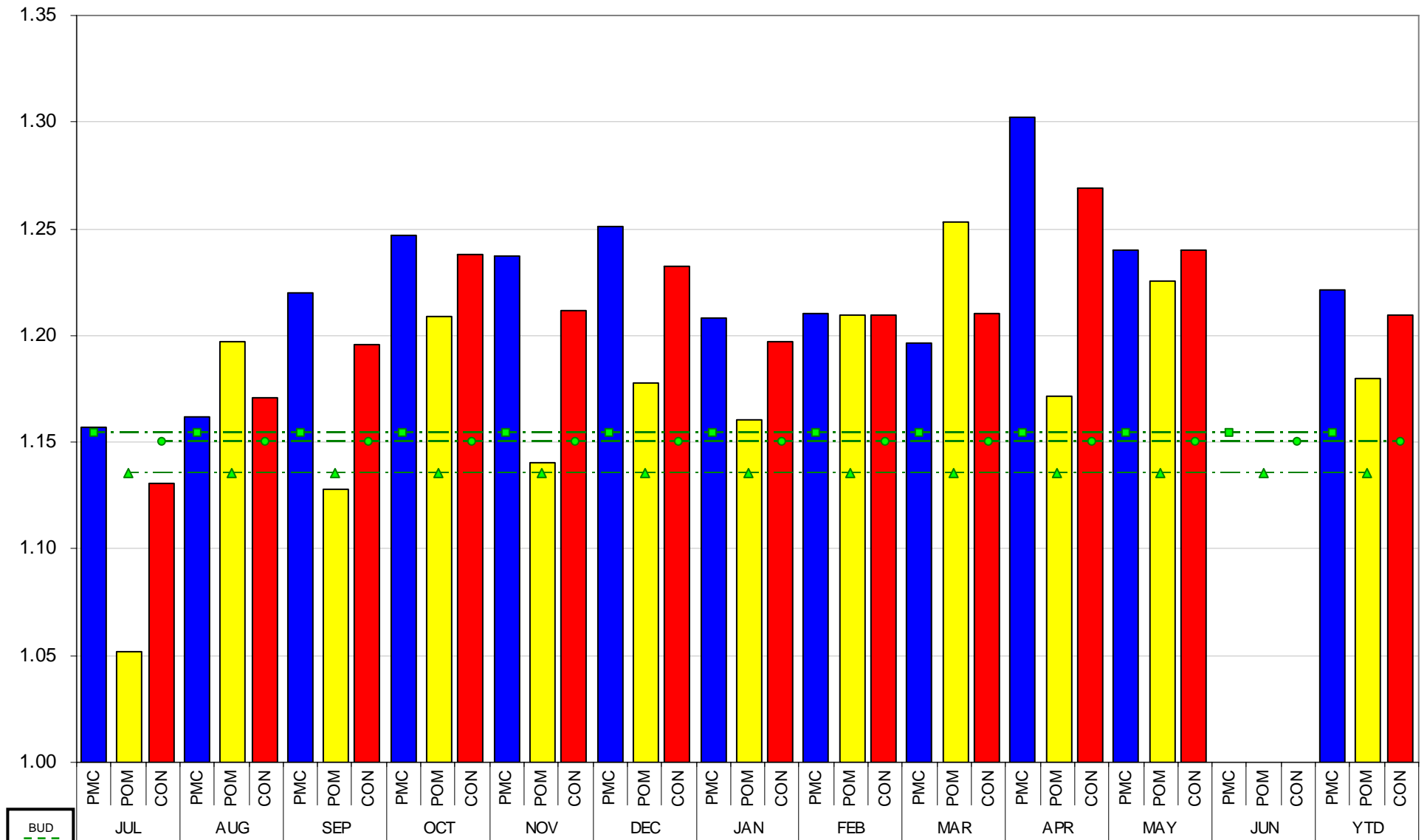
Trauma Admissions (PMC only)



	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	88	113	87	96	88	74	74	74	71	94	81	-	940	1,106
POM	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CON	88	113	87	96	88	74	74	74	71	94	81	-	940	1,106

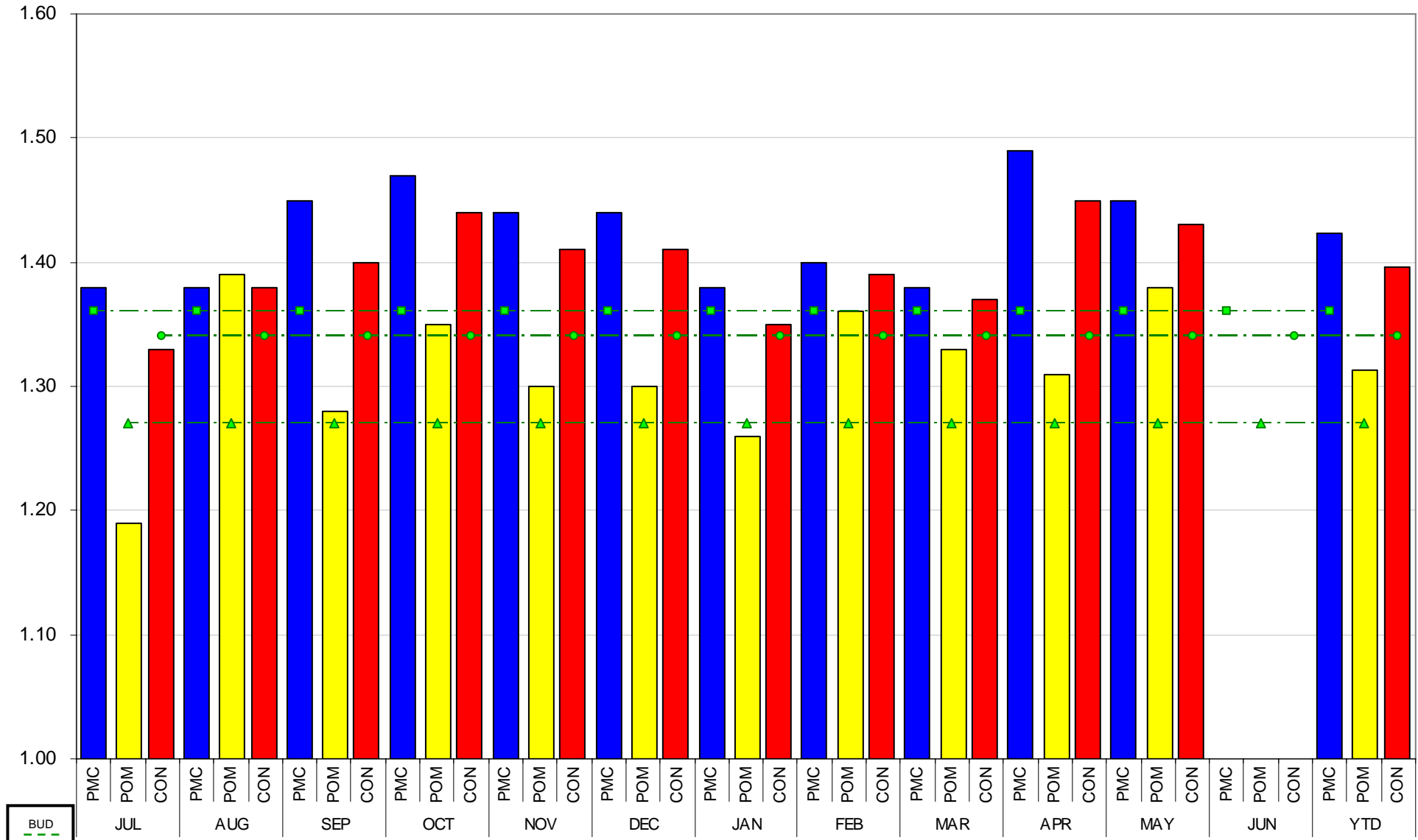
Statistical Indicators
Deliveries





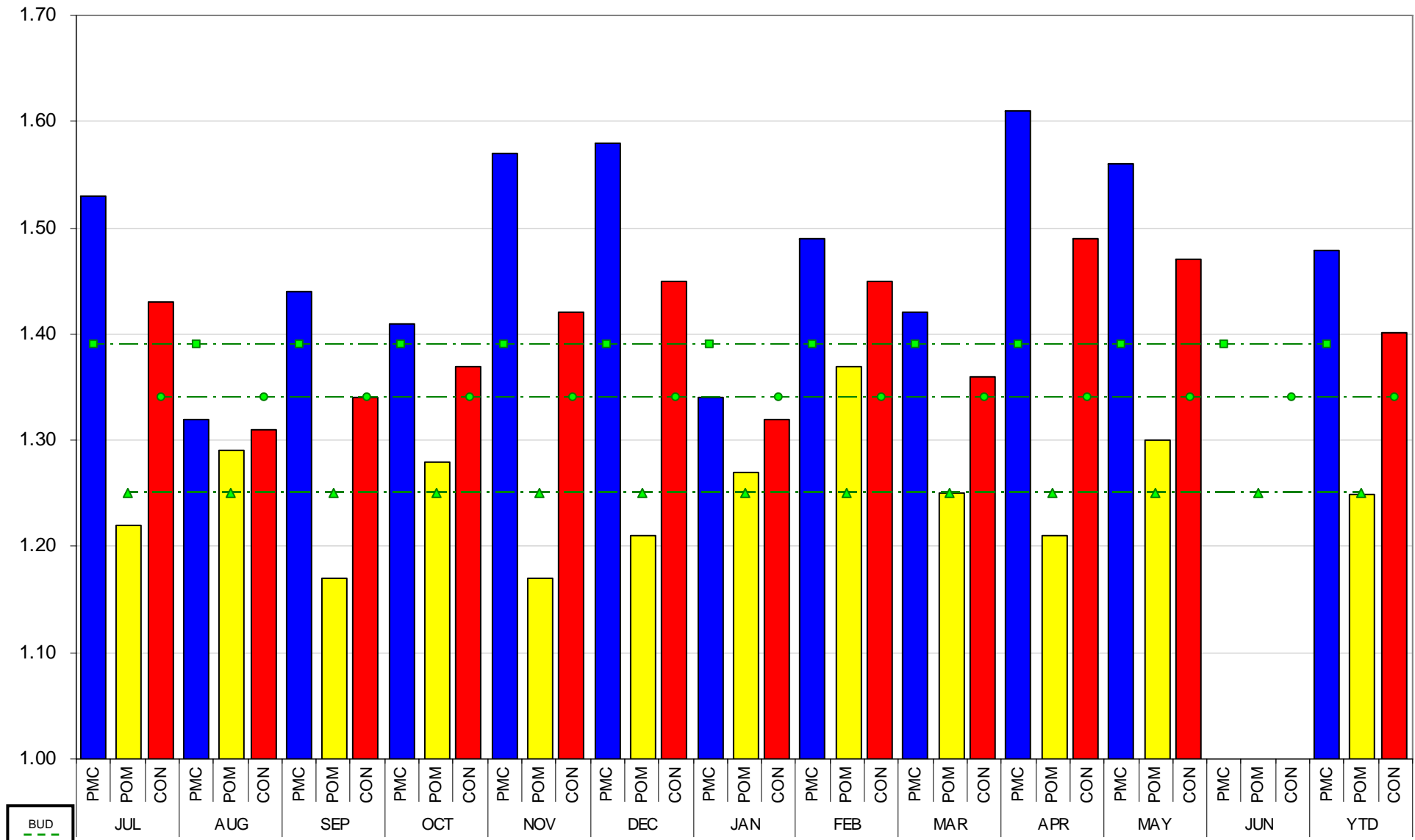
	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>
PMC	1.16	1.16	1.22	1.25	1.24	1.25	1.21	1.21	1.20	1.30	1.24	-	1.22
POM	1.05	1.20	1.13	1.21	1.14	1.18	1.16	1.21	1.25	1.17	1.23	-	1.18
CON	1.13	1.17	1.20	1.24	1.21	1.23	1.20	1.21	1.21	1.27	1.24	-	1.21

Case Mix Index by Region
(excludes Deliveries)



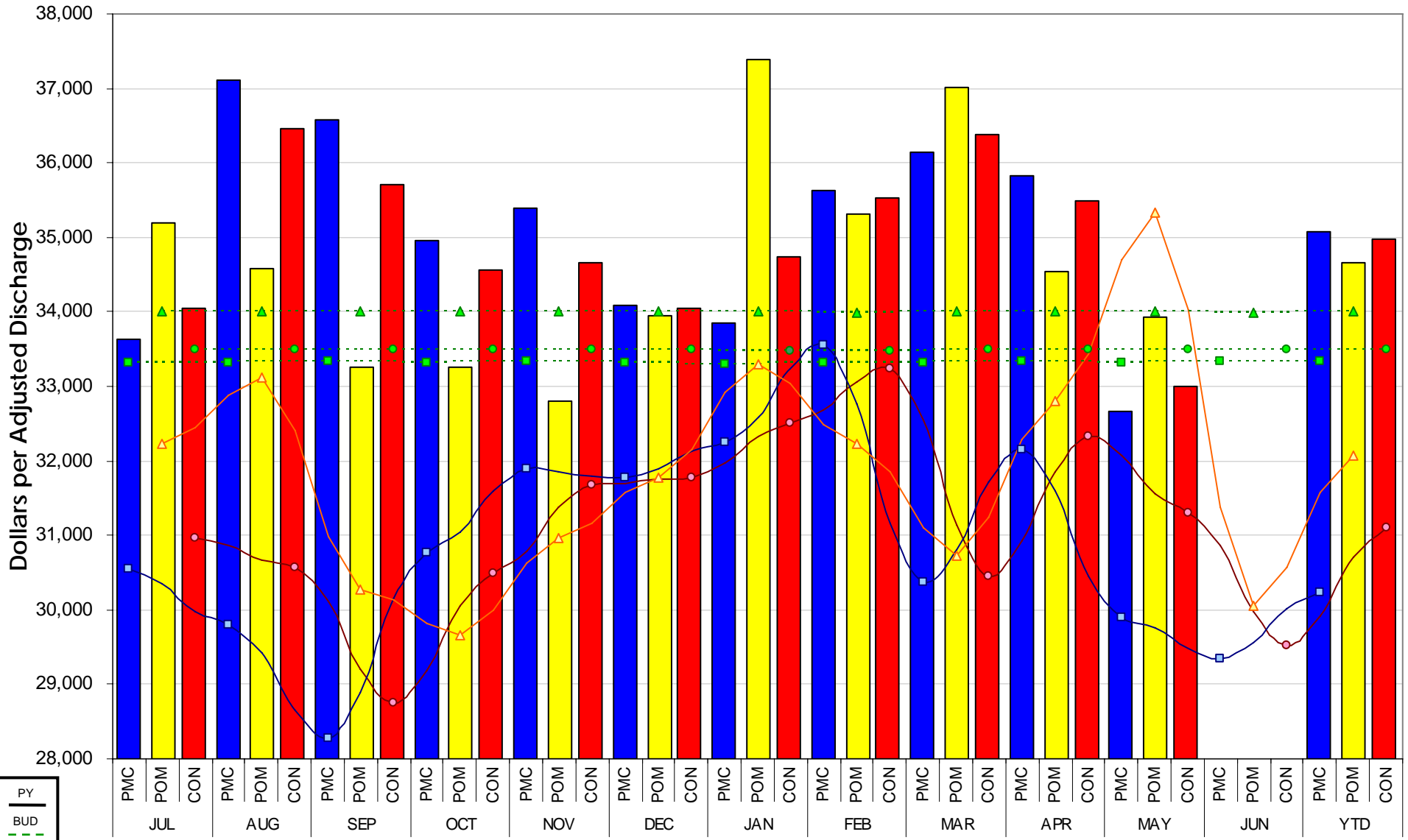
	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>
PMC	1.38	1.38	1.45	1.47	1.44	1.44	1.38	1.40	1.38	1.49	1.45	-	1.42
POM	1.19	1.39	1.28	1.35	1.30	1.30	1.26	1.36	1.33	1.31	1.38	-	1.31
CON	1.33	1.38	1.40	1.44	1.41	1.41	1.35	1.39	1.37	1.45	1.43	-	1.40

Case Mix Index by Region
Medicare



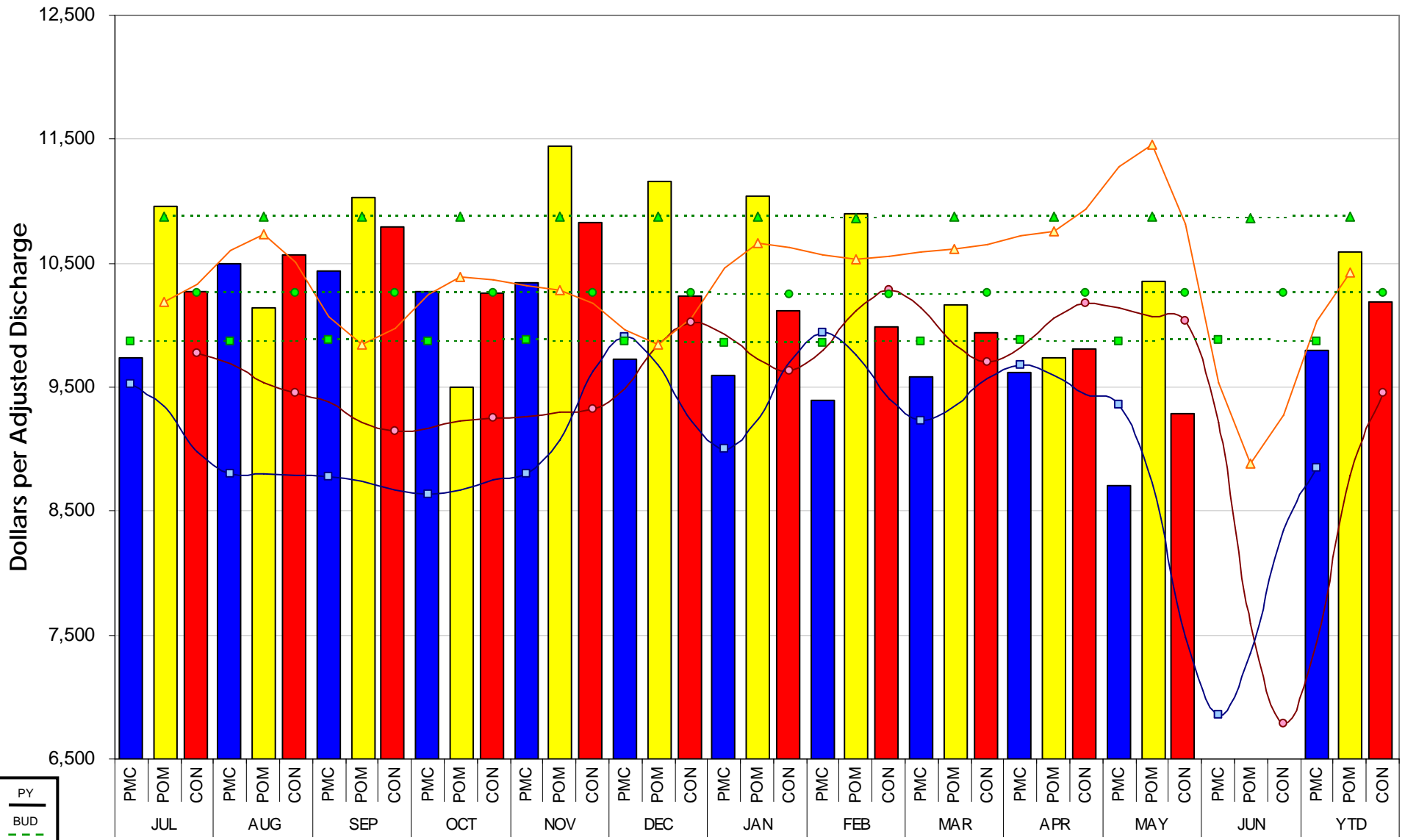
	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>
PMC	1.53	1.32	1.44	1.41	1.57	1.58	1.34	1.49	1.42	1.61	1.56	-	1.48
POM	1.22	1.29	1.17	1.28	1.17	1.21	1.27	1.37	1.25	1.21	1.30	-	1.25
CON	1.43	1.31	1.34	1.37	1.42	1.45	1.32	1.45	1.36	1.49	1.47	-	1.40

Adjusted Discharges
Gross Patient Revenue per Adjusted Discharges



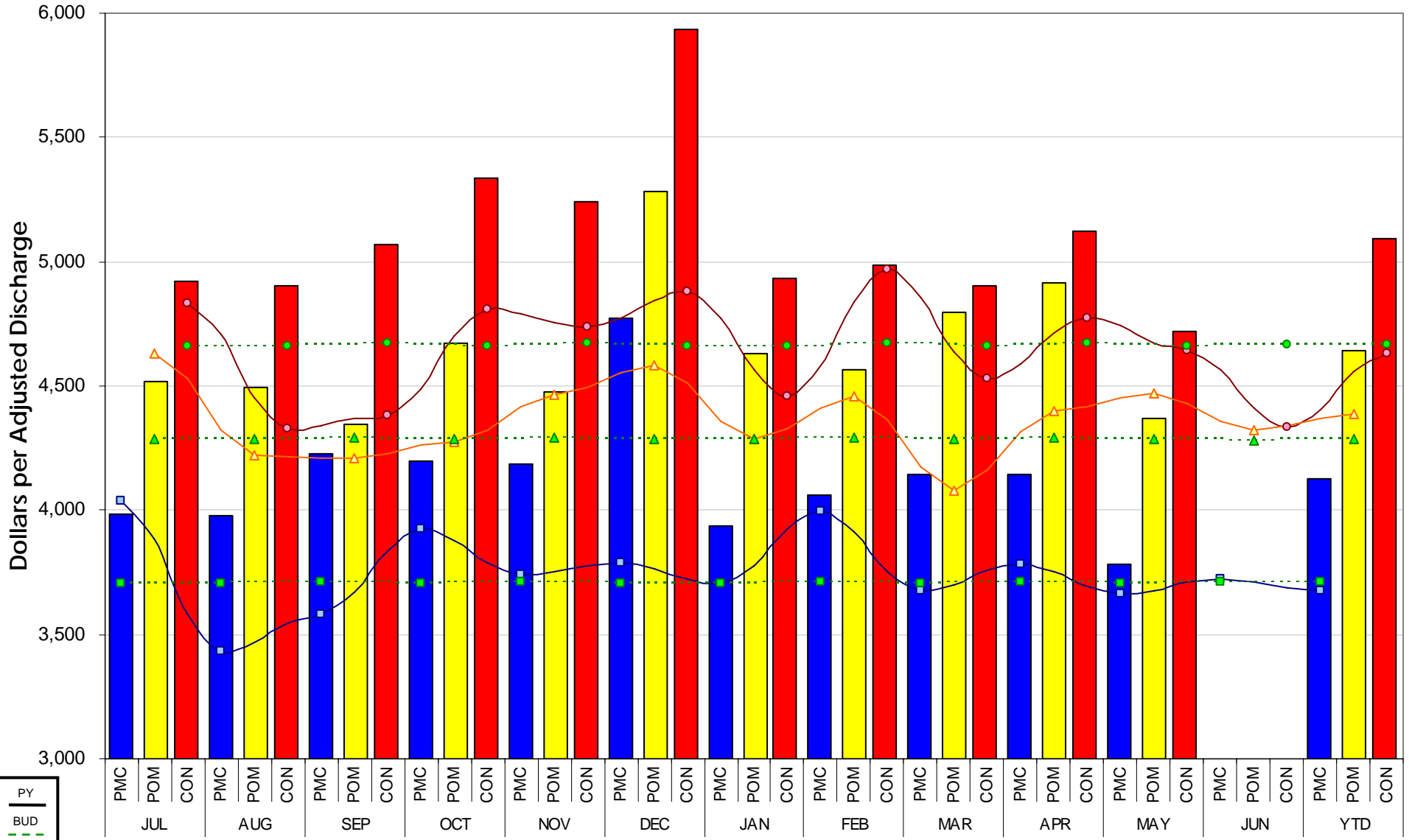
	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	33,628	37,115	36,573	34,962	35,383	34,084	33,852	35,620	36,136	35,830	32,669	-	35,073	33,328
POM	35,188	34,573	33,267	33,266	32,806	33,958	37,385	35,308	37,021	34,544	33,921	-	34,669	34,049
CON	34,046	36,462	35,702	34,561	34,669	34,055	34,748	35,539	36,378	35,481	33,008	-	34,968	33,500

Adjusted Discharges
Net Patient Revenue per Adjusted Discharges



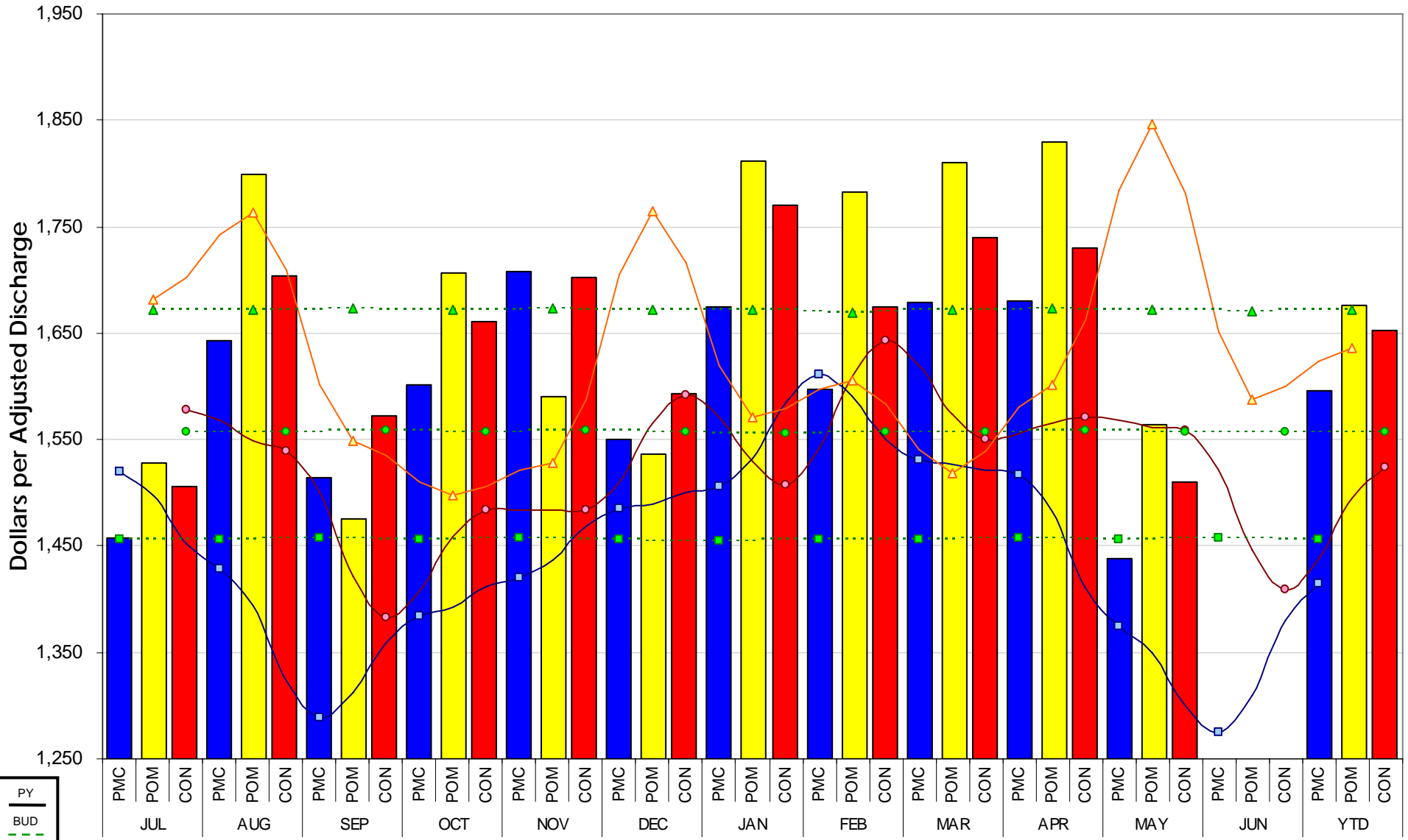
	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	9,737	10,493	10,437	10,270	10,344	9,725	9,597	9,390	9,577	9,614	8,707	-	9,799	9,892
POM	10,963	10,138	11,028	9,505	11,450	11,160	11,046	10,903	10,163	9,736	10,352	-	10,593	10,891
CON	10,266	10,573	10,793	10,254	10,829	10,241	10,121	9,983	9,942	9,807	9,285	-	10,183	10,258

Adjusted Discharges
Salaries per Adjusted Discharges



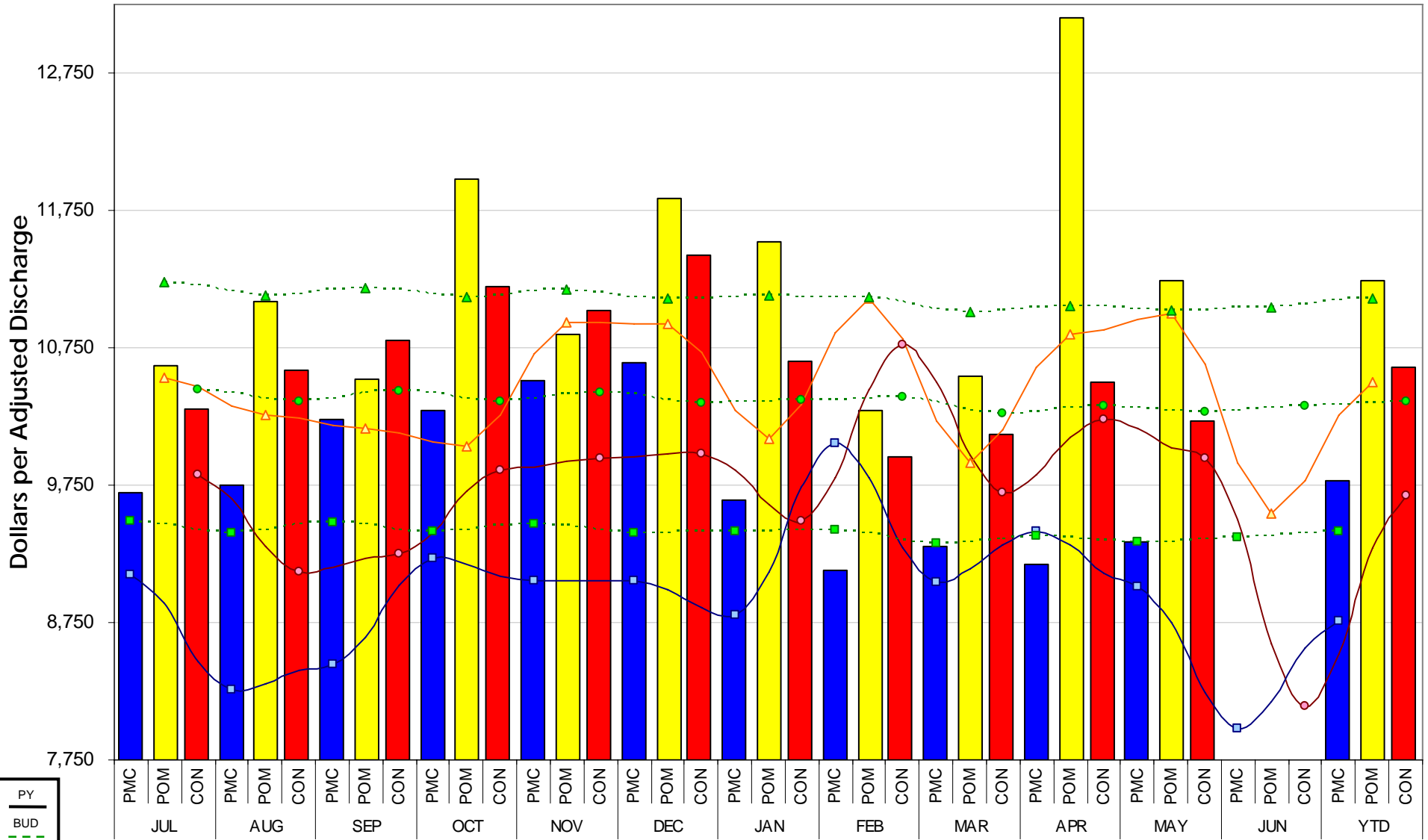
	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	3,984	3,977	4,227	4,198	4,183	4,772	3,935	4,063	4,143	4,144	3,784	-	4,128	3,935
POM	4,518	4,494	4,344	4,672	4,477	5,280	4,630	4,567	4,799	4,913	4,371	-	4,641	4,506
CON	4,922	4,905	5,070	5,334	5,238	5,936	4,930	4,987	4,905	5,120	4,722	-	5,094	4,885

Adjusted Discharges
Supplies per Adjusted Discharge



	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	1,457	1,643	1,514	1,601	1,708	1,550	1,675	1,597	1,679	1,680	1,439	-	1,596	1,467
POM	1,528	1,800	1,475	1,706	1,590	1,536	1,811	1,783	1,810	1,830	1,564	-	1,676	1,674
CON	1,506	1,704	1,573	1,661	1,702	1,594	1,770	1,675	1,740	1,730	1,511	-	1,652	1,557

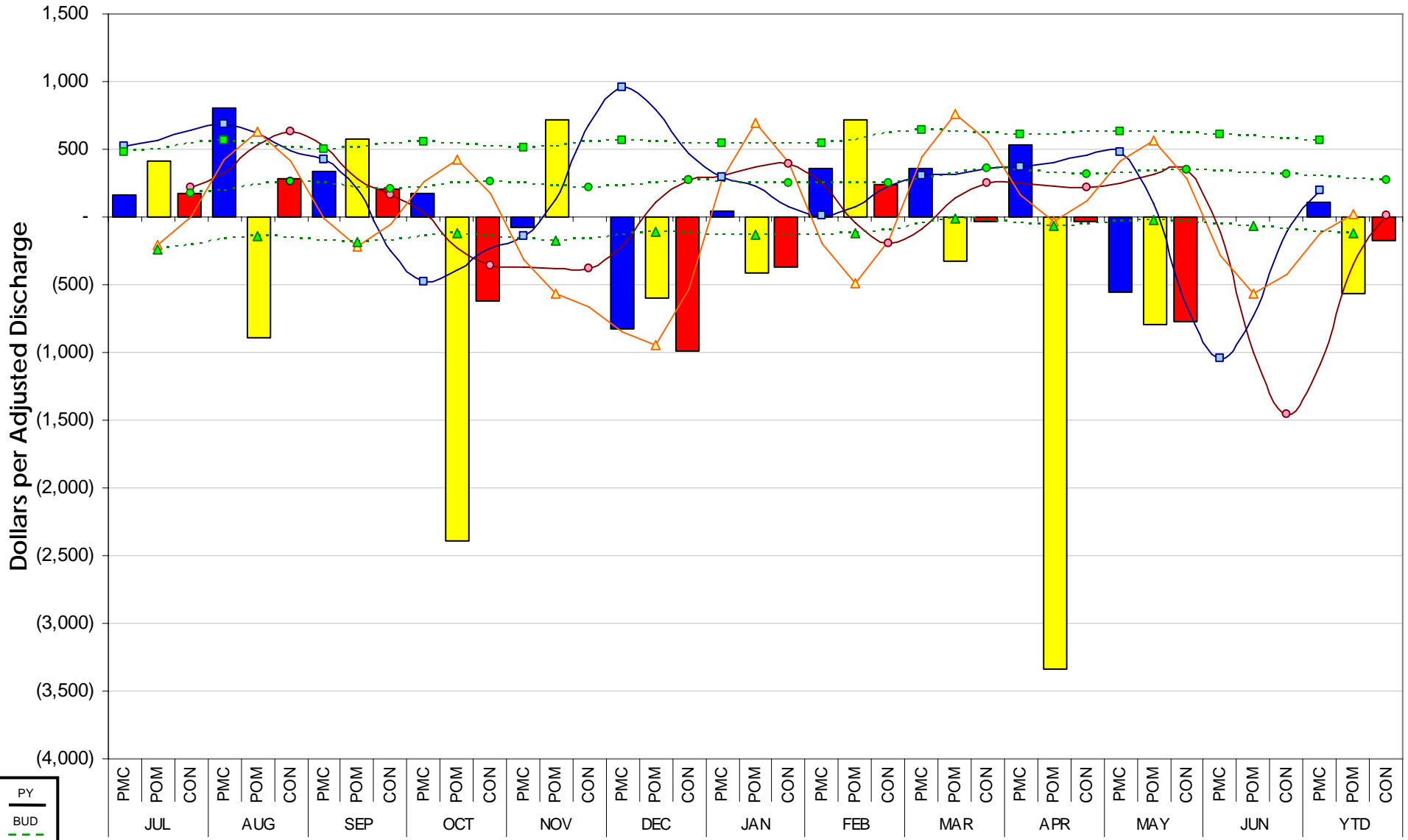
Adjusted Discharges
Total Expenses per Adjusted Discharges



	JUL		AUG		SEP		OCT		NOV		DEC		JAN		FEB		MAR		APR		MAY		JUN		YTD		B-YTD	
	PMC	POM	PMC	POM	PMC	POM	PMC	POM	PMC	POM	PMC	POM	PMC	POM	PMC	POM	PMC	POM	PMC	POM	PMC	POM	PMC	POM	PMC	POM	PMC	POM
PMC	9,693	9,752	10,226	10,293	10,511	10,640	9,643	9,128	9,307	9,175	9,338	-	9,787	9,440														
POM	10,622	11,090	10,523	11,977	10,846	11,836	11,522	10,291	10,543	13,155	11,245	-	11,238	11,129														
CON	10,309	10,589	10,807	11,191	11,019	11,422	10,650	9,954	10,124	10,495	10,221	-	10,612	10,368														

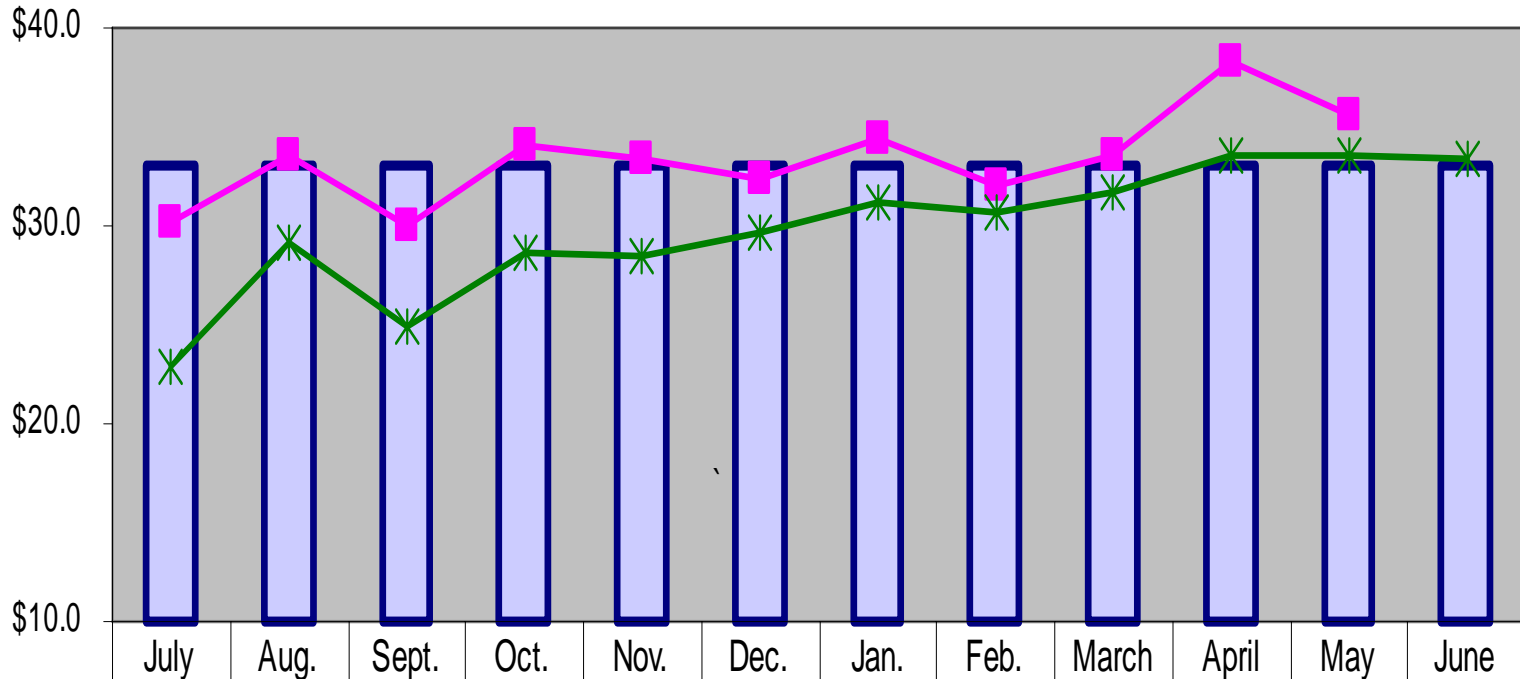
Adjusted Discharges

Net Operating Income per Adjusted Discharges



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	B-YTD
PMC	158	799	335	177	(72)	(828)	40	360	357	531	(552)	-	114	553
POM	411	(889)	575	(2,388)	722	(602)	(408)	719	(328)	(3,332)	(791)	-	(563)	(120)
CON	171	278	208	(618)	5	(985)	(366)	242	(30)	(30)	(766)	-	(176)	263

PBS Monthly Collections
 in Millions



FY08 Goal	\$33.1	\$33.1	\$33.1	\$33.1	\$33.1	\$33.1	\$33.1	\$33.1	\$33.1	\$33.1	\$33.1	\$33.1
Pr. Yr Actual	\$22.8	\$29.1	\$24.9	\$28.6	\$28.5	\$29.7	\$31.1	\$30.8	\$31.7	\$33.6	\$33.6	\$33.3
Curr. Yr Actual	\$30.2	\$33.6	\$30.0	\$34.1	\$33.4	\$32.4	\$34.4	\$32.0	\$33.6	\$38.2	\$35.5	

Revenue Cycle Key Indicators
Trend Report



	Current Month End	Most Recent Month End	Previous Month End	Previous Month End	Current Fiscal Year Year-to-Date	Most Recent Year End	Prior Year Y-T-D	Change from Prior Month
Period Ending Days in Period	5/31/2008 31	4/30/2008 30	3/31/2008 31	2/29/2008 29	5/31/2008 336	6/30/2007 365	5/31/2007 335	
Revenue								
Gross for Month (Month to Date)	115,108,608	116,883,778	124,330,002	118,302,671	\$ 1,269,470,351	\$ 1,205,732,433	\$ 1,111,732,301	\$ (1,775,170)
Net Revenue	31,720,709	35,298,901	32,541,603	32,936,772	\$ 368,853,067	\$ 371,016,682	\$ 340,104,642	\$ (3,578,192)
Net:Gross %	27.6%	30.2%	26.2%	27.8%	29.1%	30.8%	30.6%	(2.6%)
Last 3 Month Daily Average (Gross)	3,873,069	3,994,627	3,966,440	3,836,472	\$ 3,778,186	\$ 3,303,377	\$ 3,318,604	\$ (121,558)
Last 3 Month Daily Average (Net)	1,082,187	1,119,748	1,095,508	1,107,814	1,097,777	1,016,484	1,015,238	(37,560)
Cash Collections								
Month to Date	35,530,249	38,240,148	33,639,070	32,002,678	\$ 367,535,281	\$ 357,733,249	\$ 324,405,416	\$ (2,709,899)
Month to Date Goal	36,369,671	36,412,658	35,911,050	34,852,941	376,653,384	358,561,284	328,681,177	\$ (42,987)
Over (under) Goal	(839,422)	1,827,490	(2,271,980)	(2,850,263)	\$ (9,118,103)	\$ (828,035)	\$ (4,275,761)	\$ (2,666,912)
% of Goal	98%	105%	94%	92%	97.6%	99.8%	98.7%	(7.3%)
Point of Service Collections								
Month to Date	309,938	328,788	283,564	245,741	\$ 3,100,792	\$ 3,244,728	\$ 2,963,100	\$ (18,850)
Month to Date Goal	328,000	328,000	328,000	328,000	3,515,000	3,265,740	2,993,595	\$ -
Over (under) Goal	\$ (18,062)	788	\$ (44,436)	\$ (82,259)	\$ (414,208)	\$ (21,012)	\$ (30,495)	\$ (18,850)
% of Goal	94.5%	100%	86.5%	74.9%	88.2%	99.4%	99.0%	(5.7%)
Accounts Receivable								
0-30	81,800,143	\$ 90,935,607	\$ 92,648,411	\$ 92,486,299		\$ 73,718,929	\$ 80,173,468	\$ (9,135,464)
31-60	28,351,328	24,710,568	33,589,285	26,489,921		19,857,146	27,600,592	3,640,760
61-90	15,557,363	19,521,705	15,439,708	16,860,915		13,499,609	20,107,146	(3,964,342)
91-180	25,195,518	25,804,767	27,323,121	27,873,599		26,694,468	31,281,515	(609,249)
Over 180	22,218,112	24,732,333	25,332,012	24,750,643		21,653,269	28,006,330	(2,514,221)
Total	\$ 173,122,464	\$ 185,704,980	\$ 194,332,537	\$ 188,461,377		\$ 155,423,421	\$ 187,169,051	\$ (12,582,516)
A/R Days (Gross)	44.70	46.49	48.99	49.12		47.05	56.40	(1.79)
% of AR aged over 180 days	12.8%	13.3%	13.0%	13.1%		14%	15.0%	0.00
Number of Accounts	61,531	61,122	61,917	60,133		61,809	80,087	409
Credit Balance Accounts:								
Dollars	\$ (3,609,401)	\$ (2,365,362)	\$ (1,580,476)	\$ (1,828,298)		\$ (3,955,501)	\$ (7,306,405)	\$ (1,244,040)
Number of Accounts	3,334	2,660	1,847	1,434		1,642	8,864	674

Revenue Cycle Key Indicators
Trend Report



	Current Month End	Most Recent Month End	Previous Month End	Previous Month End	Current Fiscal Year Year-to-Date	Most Recent Year End	Prior Year Y-T-D	Change from Prior Month
Period Ending Days in Period	5/31/2008 31	4/30/2008 30	3/31/2008 31	2/29/2008 29	5/31/2008 336	6/30/2007 365	5/31/2007 335	
Accounts Receivable by Major Payer								
Medicare	37,691,243	41,554,606	47,068,606	43,034,471		\$ 31,212,504	\$ 38,223,325	\$ (3,863,363)
Last 3 months daily average revenue	1,116,210	1,137,871	1,130,598	1,083,838		965,874	1,001,018	\$ (21,661)
Gross Days revenue outstanding	33.77	36.52	41.63	39.71		32.32	38.18	(2.75)
MediCal (Includes M-Cal HMO)	26,701,590	27,027,305	28,438,805	27,179,916		23,655,071	23,441,370	(325,715)
Last 3 months daily average revenue	680,717	705,986	708,846	666,936		522,046	586,936	(25,269)
Gross Days revenue outstanding	39.23	38.28	40.12	40.75		45.31	39.94	0.94
Comm/Managed Care (Incl Mcare HMO)	77,027,585	82,989,340	86,482,646	84,715,775		72,445,182	87,392,751	(5,961,755)
Last 3 months daily average revenue	1,912,462	1,987,454	1,978,207	1,903,770		1,679,046	1,694,504	(74,992)
Gross Days revenue outstanding	40.28	41.76	43.72	44.50		43.15	51.57	(1.48)
Self-Pay	31,702,045	34,133,728	32,342,481	33,531,215		28,110,665	38,111,605	(2,431,683)
Last 3 months daily average revenue	163,621	163,317	148,789	181,928		165,713	140,944	304
Gross Days revenue outstanding	193.75	209.00	217.37	184.31		169.63	270.40	(15.25)
Accounts to Collections								
M-T-D Amount net of Recovery	7,797,729	3,966,386	5,051,833	2,196,785	37,126,067	28,183,764	\$ 32,360,607	\$ 3,831,343
% of Gross Revenue (Target < 2%)	6.8%	3.4%	4.1%	1.9%	2.9%	2.3%	2.9%	3.4%
Charity & Undocumented Write-offs								
M-T-D Amount	2,197,775	1,350,831	2,909,266	1,161,882	21,015,937	13,375,244	\$ 22,279,140	\$ 846,944
% of Gross Revenue (Target < 2%)	1.9%	1.2%	2.3%	1.0%	1.7%	1.1%	2.0%	0.8%
Denial & Other Admin Adjustments								
M-T-D Amount	344,731	816,490	397,845	566,363	5,784,715	3,471,349	\$ 4,174,179	\$ (471,759)
% of Gross Revenue (Target < 1%)	0.3%	0.7%	0.3%	0.5%	0.5%	0.3%	0.4%	(0.4%)

Revenue Cycle Key Indicators
Trend Report



	Current Month End	Most Recent Month End	Previous Month End	Previous Month End	Current Fiscal Year Year-to-Date	Most Recent Year End	Prior Year Y-T-D	Change from Prior Month
Period Ending	5/31/2008	4/30/2008	3/31/2008	2/29/2008	5/31/2008	6/30/2007	5/31/2007	
Days in Period	31	30	31	29	336	365	335	
Discharged Not Final Billed (DNFB)								
DNFB Action Required								
HIM (Waiting for Coding)	\$ 6,952,319	\$ 6,054,125	\$ 10,918,183	\$ 8,425,053		6,249,765	\$ 4,584,967	\$ 898,194
PBS (Correction required)	443,742	33,569	800,337	266,157		18,284	356,709	\$ 410,173
Other holds requiring correction	-	-	-	-		-	120,286	\$ -
Total Action Required	7,396,061	6,087,694	11,718,520	8,691,210		6,268,049	5,061,962	1,308,367
# of AR Days action Required	1.91	1.52	2.95	2.27		1.83	1.53	0.39
DNFB No Action Required								
4 Day Standard Delay	\$ 18,021,655	\$ 23,073,072	\$ 14,670,398	\$ 26,103,121		22,948,148	\$ 21,443,733	\$ (5,051,417)
Other	2,741,177	3,715,260	2,094,079	5,247,606		664,451	1,552,580	(974,083)
Total No Action Required	20,762,832	26,788,332	16,764,477	31,350,727		23,612,599	28,763,026	(6,025,500)
Total DNFB	\$ 28,158,893	\$ 32,876,026	\$ 28,482,997	\$ 40,041,937		29,880,648	\$ 33,824,988	(4,717,133)
Total Days in DNFB	7.27	8.23	7.18	10.44		8.73	10.19	(0.96)
Late Charges								
Late Charges from Date of Service 5 to 20 Days								
Number of line items	4,470	6,045	5,838	6,420	111,141			(1,575)
Dollar amount of Charges	794,893	879,861	879,629	810,743	9,243,316			\$ (84,968)
Dollar amount of Credits	(614,324)	(628,395)	(829,375)	(560,683)	(5,573,298)			\$ 14,071
Net Dollar Amount	180,569	251,466	50,253	250,060	3,670,018			\$ (70,897)
Absolute Dollar Amount	\$ 794,893	\$ 879,861	\$ 879,629	\$ 810,743	\$ 10,831,415			\$ (84,968)
Late Charges from Date of Service > 21 Days								
Number of line items	219,019	64,946	10,715	25,434	655,971			154,073
Dollar amount of Charges	1,734,403	775,757	1,829,359	1,018,049	9,997,077			958,646
Dollar amount of Credits	(1,266,597)	(1,235,648)	(2,133,056)	(1,111,898)	(13,353,397)			(30,949)
Net Dollar Amount	467,806	(459,891)	(303,697)	(93,849)	(3,356,320)			927,697
Absolute Dollar Amount	\$ 3,001,000	\$ 2,011,405	\$ 3,962,415	\$ 2,129,948	\$ 23,350,474			\$ 989,595

SUPPLEMENTAL INFORMATION

June 2008	May30-Jun5	Jun6-12	Jun 13-19	Jun 20-26	MTD Total	MTD Budget	% Variance
ADC (Acute)	262	282	285	310	285	312	(8.68)
PMC	184	211	216	233	211	235	(10.38)
POM	78	71	69	77	74	76	(3.43)
PCCC	86	85	85	82	84	88	(3.93)
VP	120	123	120	124	122	123	(0.69)
Patient Days (Acute)	1833	1972	1998	2168	7,971	8,729	(8.68)
PMC	1285	1477	1513	1631	5,906	6,590	(10.38)
POM	548	495	485	537	2,065	2,138	(3.43)
PCCC	600	596	592	572	2,360	2,457	(3.93)
VP	843	863	838	866	3,410	3,434	(0.69)
Discharges	532	536	550	605	2,223	2,284	(2.67)
PMC	380	382	424	448	1,634	1,762	(7.27)
POM	152	154	126	157	589	522	12.89
Number of Surgeries	240	237	233	226	936	889	5.23
PMC	162	159	160	144	625	604	3.50
POM	78	78	73	82	311	286	8.89
Number of Births	96	91	100	95	382	421	(9.25)
PMC	73	62	76	69	280	337	(16.90)
POM	23	29	24	26	102	84	21.43

Weekly Flash Report

June 2008	May30-Jun5	Jun6-12	Jun 13-19	Jun 20-26	MTD Total	MTD Budget	% Variance
Outpatient Visits (inc.	2604	1970	1885	1790	8,249	7,763	6.27
PMC	1748	1251	1237	1136	5,372	5,125	4.82
POM	856	719	648	654	2,877	2,638	9.08
ER Visits	1704	1782	1810	1842	7,138	6,699	6.55
PMC	1182	1198	1229	1281	4,890	4,466	9.49
POM	522	584	581	561	2,248	2,233	0.65
Trauma Visits	15	17	24	24	80	110	(27.36)
IP	14	17	21	21	73	92	(21.00)
OP	1	0	3	3	7	18	(60.53)
Gross IP Revenue	18,220,411	19,943,415	19,731,620	20,602,038	78,497,484	79,358,971	(1.09)
Gross OP Revenue	6,164,045	6,561,259	7,101,378	7,116,538	26,943,220	24,180,383	11.43
Cash Collection	5,610,797	6,866,908	7,991,725	9,615,073	30,084,503	31,480,758	(4.44)
Days cash on hand	96	99	98	103	103	80	
Prod Hrs (PP25 & 26)		201,776		211,688	413,464	413,067	(0.10)
PMC - North		116,296		123,981	240,277	235,783	(1.91)
POM - South		53,940		53,716	107,656	109,170	1.39
Others	-	31,540	-	33,991	65,531	68,114	3.79
Prod \$ (PP 25 & 26)		6,295,531		6,599,942	12,895,473	12,832,068	(0.49)
PMC - North		3,638,655		3,889,137	7,527,792	7,403,534	(1.68)
POM - South		1,626,790		1,601,642	3,228,432	3,189,523	(1.22)
Others	-	1,030,086	-	1,109,163	2,139,249	2,239,011	4.46

Income Statement: Fiscal Year-to-Date
Consolidated – Weighted Patient Days

				Variance		\$/Wtg Pt Days		
	Actual	Budget	Variance	Volume	Rate/Eff	Actual	Budget	Variance
Statistics:								
Admissions - Acute	26,572	27,380	(808)					
Admissions - SNF	998	1,053	(55)					
Patient Days - Acute	104,675	104,759	(84)					
Patient Days - SNF	69,649	70,952	(1,303)					
ALOS - Acute	3.91	3.83	0.08					
ALOS - SNF	70.49	68.09	2.40					
Weighted Patient Days	147,106	143,691	3,415					
Revenue:								
Gross Revenue	\$ 1,295,011,313	\$ 1,242,330,247	\$ 52,681,066 F	\$ 29,525,564	\$ 23,155,502	\$ 8,803.25	\$ 8,645.85	\$ 157.41
Deductions from Rev	(917,892,599)	(861,925,405)	(55,967,194) U	(20,484,757)	(35,482,437)	(6,239.67)	(5,998.46)	(241.20)
Net Patient Revenue	377,118,714	380,404,842	(3,286,128) U	9,040,807	(12,326,935)	2,563.58	2,647.38	(83.80)
Other Oper Revenue	9,377,441	13,839,472	(4,462,031) U	328,913	(4,790,944)	63.75	96.31	(32.57)
Total Net Revenue	386,496,155	394,244,314	(7,748,159) U	9,369,719	(17,117,878)	2,627.33	2,743.70	(116.36)
Expenses:								
Salaries, Wages & Contr Labor	188,669,457	181,168,614	(7,500,843) U	(4,305,703)	(3,195,140)	1,282.54	1,260.82	(21.72)
Benefits	42,634,706	45,677,391	3,042,685 F	(1,085,581)	4,128,266	289.82	317.89	28.06
Supplies	61,175,795	57,754,095	(3,421,700) U	(1,372,600)	(2,049,100)	415.86	401.93	(13.93)
Prof Fees & Purch Svc	57,622,721	56,123,407	(1,499,314) U	(1,333,844)	(165,470)	391.71	390.58	(1.12)
Depreciation	19,800,146	19,561,217	(238,929) U	(464,897)	225,968	134.60	136.13	1.54
Other	23,102,380	24,212,295	1,109,915 F	(575,436)	1,685,351	157.05	168.50	11.46
Total Expenses	393,005,205	384,497,019	(8,508,186) U	(9,138,062)	629,876	2,671.58	2,675.86	4.28
Net Inc Before Non-Oper Income	(6,509,050)	9,747,295	(16,256,345) U	231,657	(16,488,002)	(44.25)	67.84	(112.08)
Property Tax Revenue	12,375,000	12,375,000	- -	294,108	(294,108)	84.12	86.12	(2.00)
Non-Operating Income	2,521,544	729,503	1,792,041 F	17,338	1,774,703	17.14	5.08	12.06
Net Income (Loss)	\$ 8,387,494	\$ 22,851,798	\$ (14,464,304) U	\$ 543,102	\$ (15,007,406)	\$ 57.02	\$ 159.03	\$ (102.02)
Net Income Margin	2.0%	5.5%	(3.5%)					
OEBITDA Margin w/o Prop Tax	3.2%	7.1%	(3.9%)					
OEBITDA Margin with Prop Tax	6.2%	10.1%	(3.9%)					

F= Favorable variance
 U= Unfavorable variance

Income Statement: Month-to-Date
Consolidated – Weighted Patient Days

				Variance		\$/Wtg Pt Days		
	Actual	Budget	Variance	Volume	Rate/Eff	Actual	Budget	Variance
Statistics:								
Admissions - Acute	2,391	2,526	(135)					
Admissions - SNF	95	97	(2)					
Patient Days - Acute	9,087	9,666	(579)					
Patient Days - SNF	6,481	6,546	(65)					
ALOS - Acute	3.66	3.83	(0.17)					
ALOS - SNF	68.22	68.19	0.03					
Weighted Patient Days	13,213	13,258	(45)					
Revenue:								
Gross Revenue	\$ 117,013,135	\$ 114,616,558	\$ 2,396,577 F	\$ (389,029)	\$ 2,785,606	\$ 8,855.91	\$ 8,645.09	\$ 210.82
Deductions from Rev	(84,098,931)	(79,522,873)	(4,576,058) U	269,915	(4,845,973)	(6,364.86)	(5,998.10)	(366.76)
Net Patient Revenue	32,914,204	35,093,685	(2,179,481) U	(119,114)	(2,060,367)	2,491.05	2,646.98	(155.93)
Other Oper Revenue	601,895	1,258,134	(656,239) U	(4,270)	(651,969)	45.55	94.90	(49.34)
Total Net Revenue	33,516,099	36,351,819	(2,835,720) U	(123,385)	(2,712,335)	2,536.60	2,741.88	(205.28)
Expenses:								
Salaries, Wages & Contr Labor	16,738,860	16,705,972	(32,888) U	56,703	(89,591)	1,266.85	1,260.07	(6.78)
Benefits	4,283,649	4,212,966	(70,683) U	14,300	(84,983)	324.20	317.77	(6.43)
Supplies	5,354,770	5,326,861	(27,910) U	18,080	(45,989)	405.27	401.78	(3.48)
Prof Fees & Purch Svc	5,388,389	4,930,693	(457,696) U	16,736	(474,432)	407.81	371.90	(35.91)
Depreciation	1,862,750	1,782,415	(80,335) U	6,050	(86,385)	140.98	134.44	(6.54)
Other	2,604,486	2,217,335	(387,151) U	7,526	(394,677)	197.12	167.25	(29.87)
Total Expenses	36,232,905	35,176,242	(1,056,663) U	119,394	(1,176,056)	2,742.22	2,653.21	(89.01)
Net Inc Before Non-Oper Income	(2,716,806)	1,175,577	(3,892,383) U	(3,990)	(3,888,392)	(205.62)	88.67	(294.29)
Property Tax Revenue	1,125,000	1,125,000	- -	(3,818)	3,818	85.14	84.85	0.29
Non-Operating Income	(530,991)	66,319	(597,310) U	(225)	(597,085)	(40.19)	5.00	(45.19)
Net Income (Loss)	\$ (2,122,797)	\$ 2,366,896	\$ (4,489,693) U	\$ (8,034)	\$ (4,481,658)	\$ (160.66)	\$ 178.53	\$ (339.19)
Net Income Margin	(5.9%)	6.2%	(12.1%)					
OEBITDA Margin w/o Prop Tax	(2.4%)	7.8%	(10.2%)					
OEBITDA Margin with Prop Tax	0.8%	10.7%	(9.9%)					

F= Favorable variance
 U= Unfavorable variance

Income Statement: Current vs. Prior Year-to-Date
Consolidated – Weighted Patient Days

	May 08 YTD	May 07 YTD	Variance	Variance		\$/Wtg Pt Days		
				Volume	Rate/Eff	Actual	Budget	Variance
Statistics:								
Admissions - Acute	26,572	26,589	(17)					
Admissions - SNF	998	1,043	(45)					
Patient Days - Acute	104,675	103,256	1,419					
Patient Days - SNF	69,649	70,737	(1,088)					
ALOS - Acute	3.91	3.85	0.06					
ALOS - SNF	70.49	68.48	2.01					
Weighted Patient Days	147,106	142,375	4,731					
Revenue:								
Gross Revenue	\$ 1,295,011,313	\$ 1,139,875,148	\$ 155,136,165 F	\$ 37,877,080	\$ 117,259,085	\$ 8,803.25	\$ 8,006.15	\$ 797.11
Deductions from Rev	(917,892,599)	(785,990,279)	(131,902,320) U	(26,117,788)	(105,784,532)	(6,239.67)	(5,520.56)	(719.10)
Net Patient Revenue	377,118,714	353,884,869	23,233,845 F	11,759,293	11,474,552	2,563.58	2,485.58	78.00
Other Oper Revenue	9,377,441	9,621,189	(243,748) U	319,704	(563,452)	63.75	67.58	(3.83)
Total Net Revenue	386,496,155	363,506,058	22,990,097 F	12,078,997	10,911,100	2,627.33	2,553.16	74.17
Expenses:								
Salaries, Wages & Contr Labor	188,669,457	169,939,537	(18,729,920) U	(5,646,946)	(13,082,974)	1,282.54	1,193.61	(88.94)
Benefits	42,634,706	43,929,966	1,295,260 F	(1,459,755)	2,755,015	289.82	308.55	18.73
Supplies	61,175,795	55,960,575	(5,215,220) U	(1,859,522)	(3,355,698)	415.86	393.05	(22.81)
Prof Fees & Purch Svc	57,622,721	48,772,897	(8,849,824) U	(1,620,682)	(7,229,142)	391.71	342.57	(49.14)
Depreciation	19,800,146	18,586,177	(1,213,969) U	(617,603)	(596,366)	134.60	130.54	(4.05)
Other	23,102,380	20,783,062	(2,319,318) U	(690,603)	(1,628,715)	157.05	145.97	(11.07)
Total Expenses	393,005,205	357,972,214	(35,032,991) U	(11,895,112)	(23,137,879)	2,671.58	2,514.29	(157.29)
Net Inc Before Non-Oper Income	(6,509,050)	5,533,844	(12,042,894) U	183,885	(12,226,779)	(44.25)	38.87	(83.12)
Property Tax Revenue	12,375,000	11,595,826	779,174 F	385,319	393,855	84.12	81.45	2.68
Non-Operating Income	2,521,544	1,881,394	640,150 F	62,517	577,633	17.14	13.21	3.93
Net Income (Loss)	\$ 8,387,494	\$ 19,011,064	\$ (10,623,570) U	\$ 631,721	\$ (11,255,291)	\$ 57.02	\$ 133.53	\$ (76.51)
Net Income Margin	2.0%	4.9%	(2.9%)					
OEBITDA Margin w/o Prop Tax	3.2%	6.3%	(3.1%)					
OEBITDA Margin with Prop Tax	6.2%	9.3%	(3.1%)					

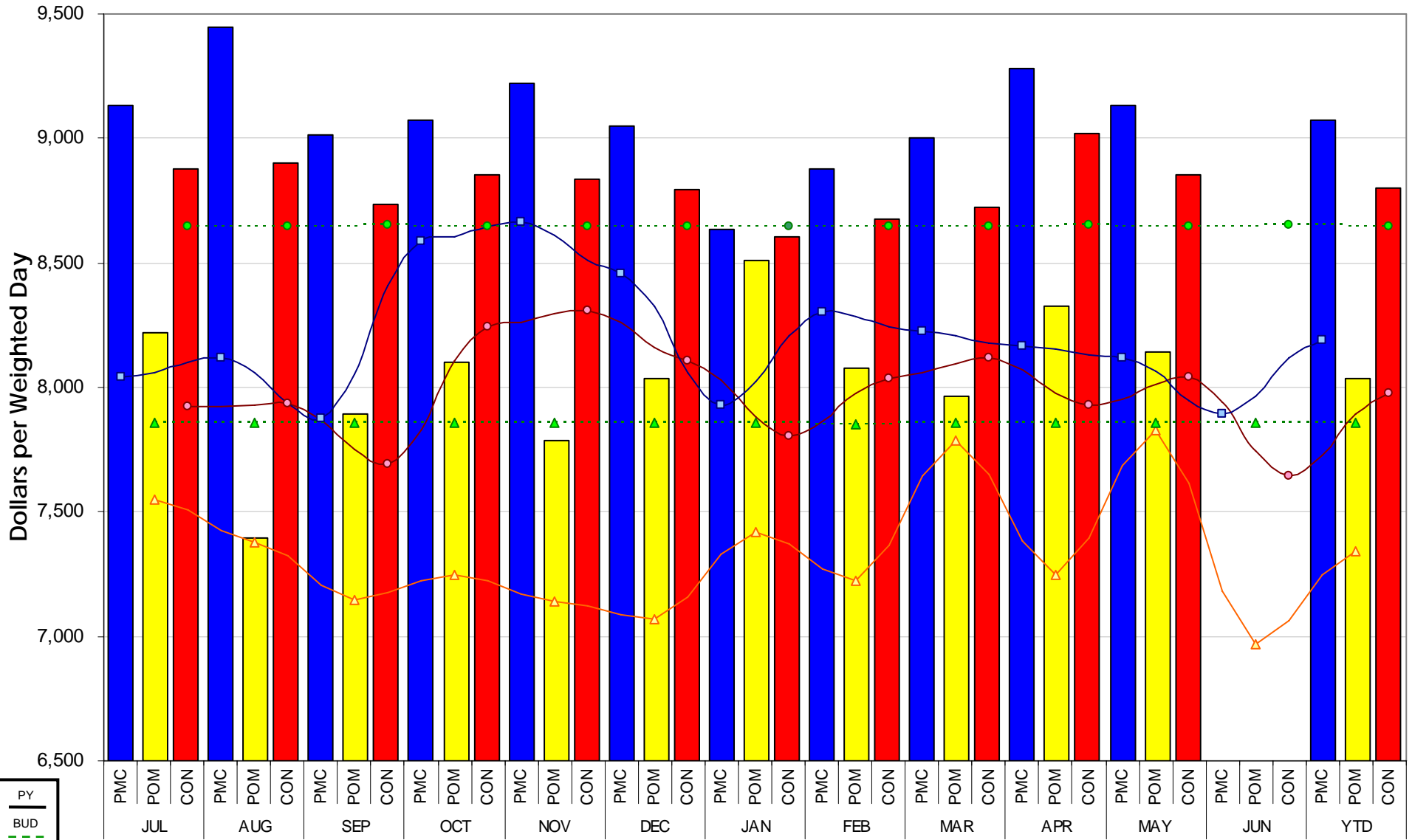
F= Favorable variance
U= Unfavorable variance

F I S C A L Y E A R 2 0 0 8
Income Statement: Fiscal Year Projection
Consolidated – Weighted Patient Days

				Variance		\$/Wtg Pt Days		
	11 Act + 1 Bud	FY 08 Budget	Variance	Volume	Rate/Eff	Actual	Budget	Variance
Statistics:								
Admissions - Acute	29,019	29,827	(808)					
Admissions - SNF	1,092	1,147	(55)					
Patient Days - Acute	114,027	114,111	(84)					
Patient Days - SNF	75,960	77,263	(1,303)					
Weighted Patient Days	43,812	40,397	3,415					
Revenue:								
Gross Revenue	\$ 1,405,946,333	\$ 1,353,265,267	\$ 52,681,066 F	\$ 114,399,606	\$ (61,718,540)	\$ 32,090.44	\$ 33,499.15	\$ (1,408.71)
Deductions from Rev	(994,850,261)	(938,883,067)	(55,967,194) U	(79,369,401)	23,402,207	(22,707.26)	(23,241.41)	534.15
Net Patient Revenue	411,096,072	414,382,200	(3,286,128) U	35,030,206	(38,316,334)	9,383.18	10,257.75	(874.56)
Other Oper Revenue	10,635,575	15,097,606	(4,462,031) U	1,276,291	(5,738,322)	242.75	373.73	(130.98)
Total Net Revenue	421,731,647	429,479,806	(7,748,159) U	36,306,496	(44,054,655)	9,625.94	10,631.48	(1,005.54)
Expenses:								
Salaries, Wages & Contr Labor	204,855,001	197,354,158	(7,500,843) U	(16,683,527)	9,182,684	4,675.77	4,885.37	209.59
Benefits	46,714,462	49,757,147	3,042,685 F	(4,206,269)	7,248,954	1,066.25	1,231.70	165.46
Supplies	66,335,973	62,914,273	(3,421,700) U	(5,318,520)	1,896,820	1,514.11	1,557.40	43.29
Prof Fees & Purch Svc	62,428,144	60,928,830	(1,499,314) U	(5,150,678)	3,651,364	1,424.91	1,508.25	83.34
Depreciation	21,582,561	21,343,632	(238,929) U	(1,804,305)	1,565,376	492.62	528.35	35.73
Other	25,284,048	26,393,963	1,109,915 F	(2,231,240)	3,341,155	577.10	653.36	76.26
Total Expenses	427,200,189	418,692,003	(8,508,186) U	(35,394,539)	26,886,353	9,750.76	10,364.43	613.68
Net Inc Before Non-Oper Income	(5,468,542)	10,787,803	(16,256,345) U	911,958	(17,168,303)	(124.82)	267.04	(391.86)
Property Tax Revenue	13,500,000	13,500,000	- -	1,141,236	(1,141,236)	308.13	334.18	(26.05)
Non-Operating Income	2,587,863	795,822	1,792,041 F	67,276	1,724,765	59.07	19.70	39.37
Net Income (Loss)	\$ 10,619,321	\$ 25,083,625	\$ (14,464,304) U	\$ 2,120,469	\$ (16,584,773)	\$ 242.38	\$ 620.93	\$ (378.54)
Net Income Margin	2.4%	5.6%	(3.2%)					
OEBITDA Margin w/o Prop Tax	3.6%	7.1%	(3.5%)					
OEBITDA Margin with Prop Tax	6.6%	10.1%	(3.5%)					

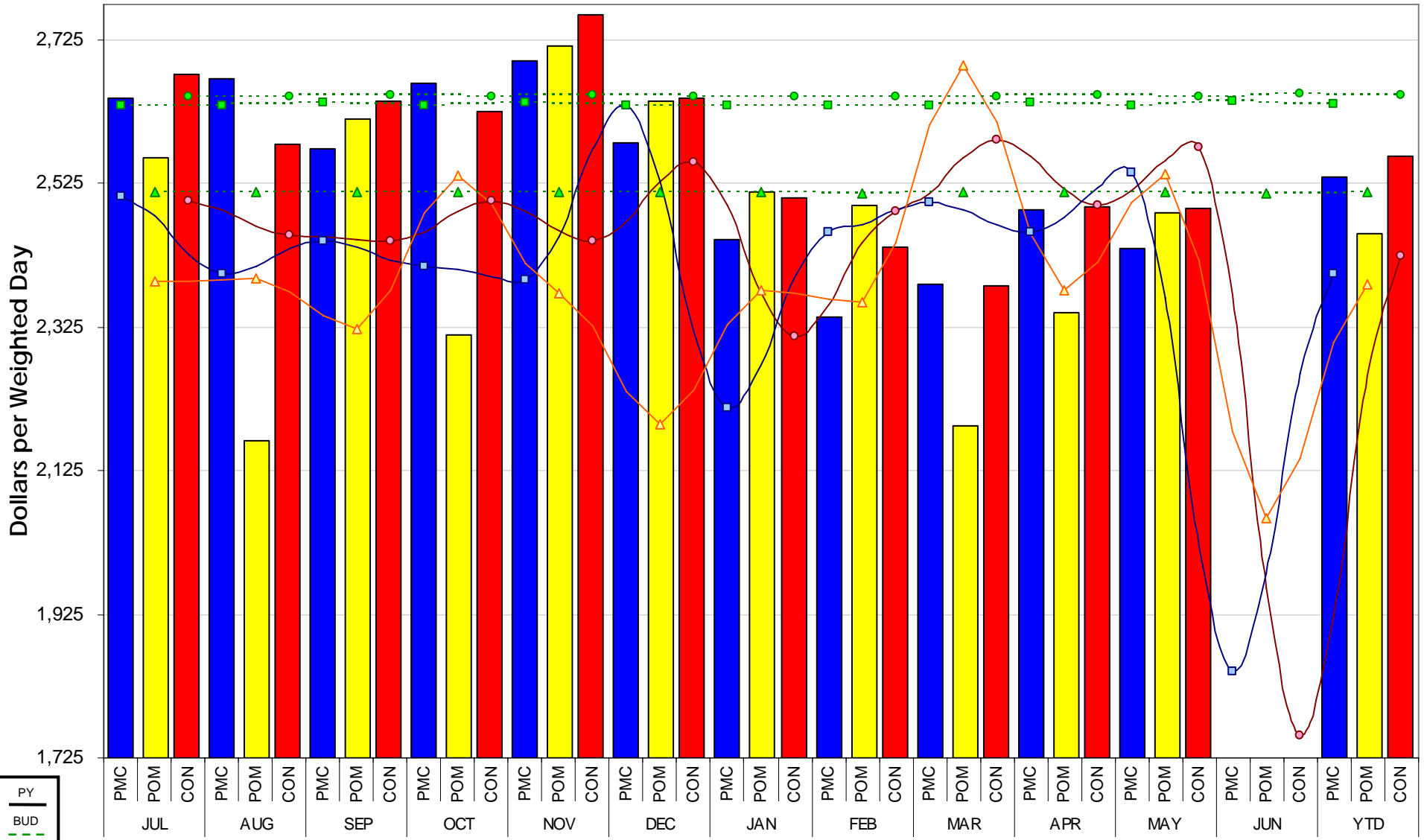
F= Favorable variance
U= Unfavorable variance

Weighted Patient Days
Gross Patient Revenue per WPD



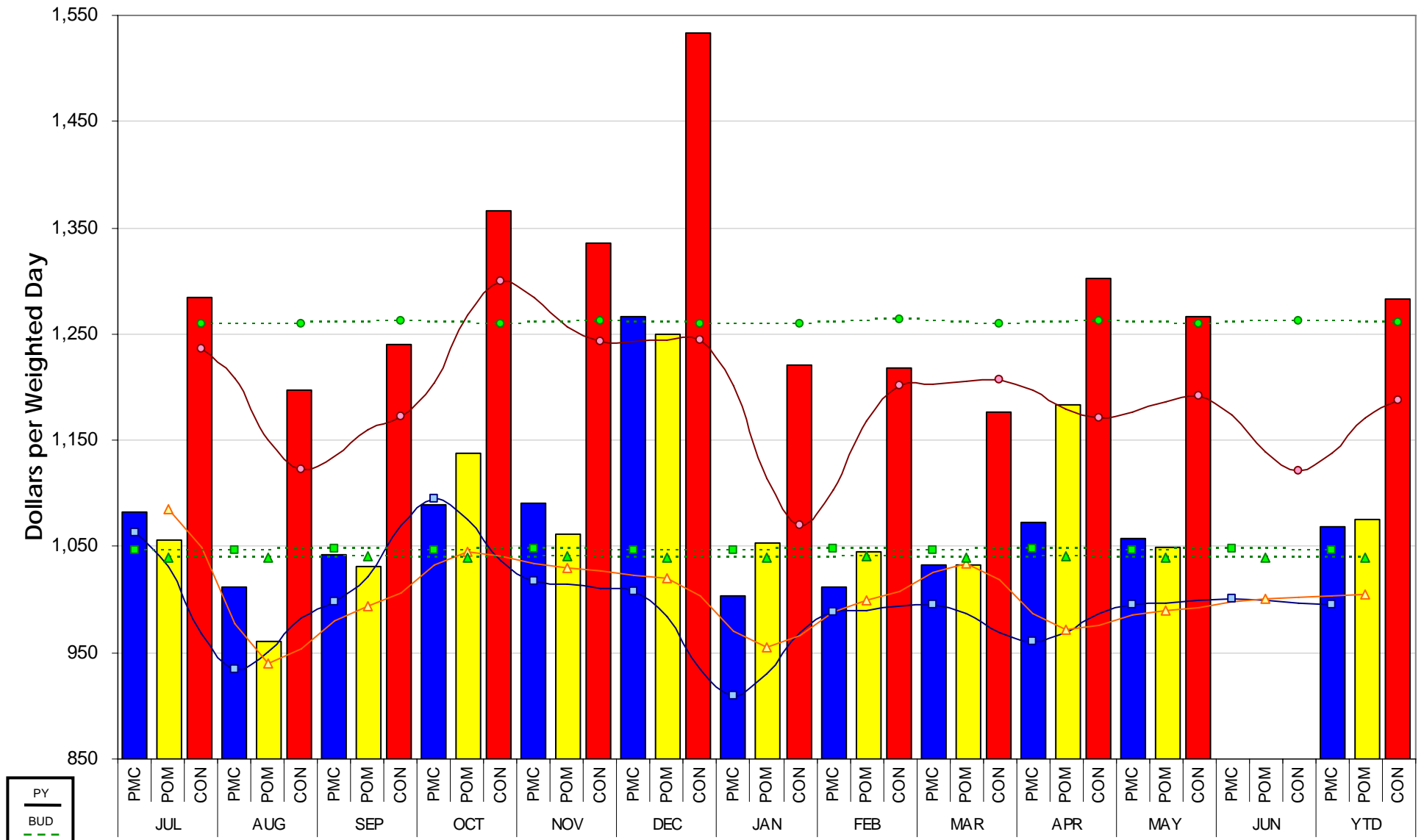
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	B-YTD
PMC	9,130	9,449	9,017	9,072	9,222	9,047	8,635	8,875	9,001	9,278	9,135	-	9,074	8,902
POM	8,222	7,392	7,892	8,102	7,784	8,035	8,509	8,077	7,967	8,326	8,140	-	8,035	7,857
CON	8,880	8,898	8,735	8,852	8,835	8,794	8,603	8,676	8,722	9,020	8,856	-	8,803	8,646

Weighted Patient Days
Net Patient Revenue per WPD



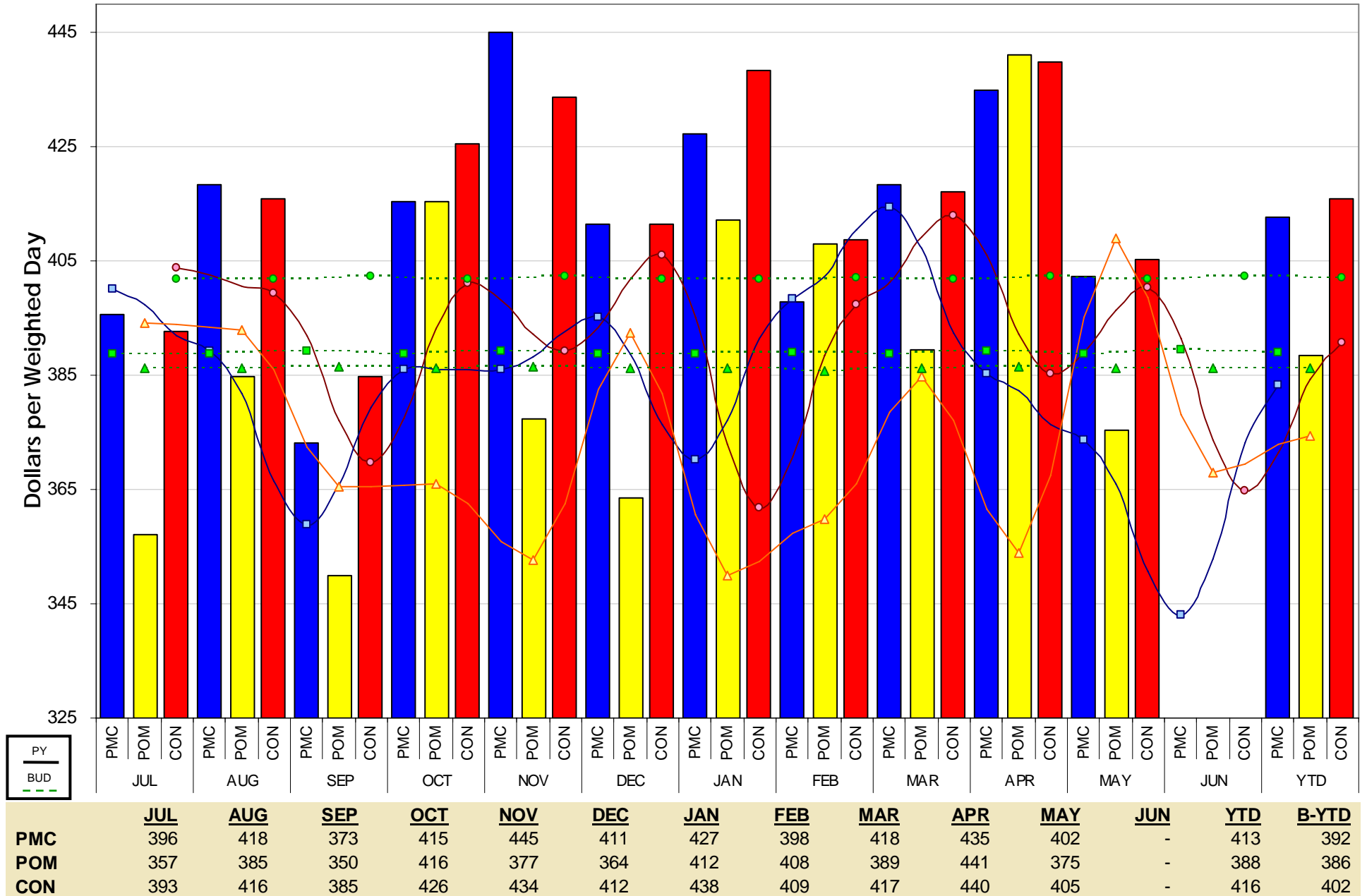
	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	2,644	2,671	2,573	2,665	2,696	2,581	2,448	2,340	2,385	2,489	2,435	-	2,535	2,642
POM	2,562	2,168	2,616	2,315	2,717	2,641	2,514	2,494	2,187	2,346	2,484	-	2,455	2,513
CON	2,678	2,580	2,641	2,626	2,760	2,645	2,506	2,437	2,384	2,493	2,491	-	2,564	2,647

Weighted Patient Days
Salaries, Wages & Contract Labor per WPD

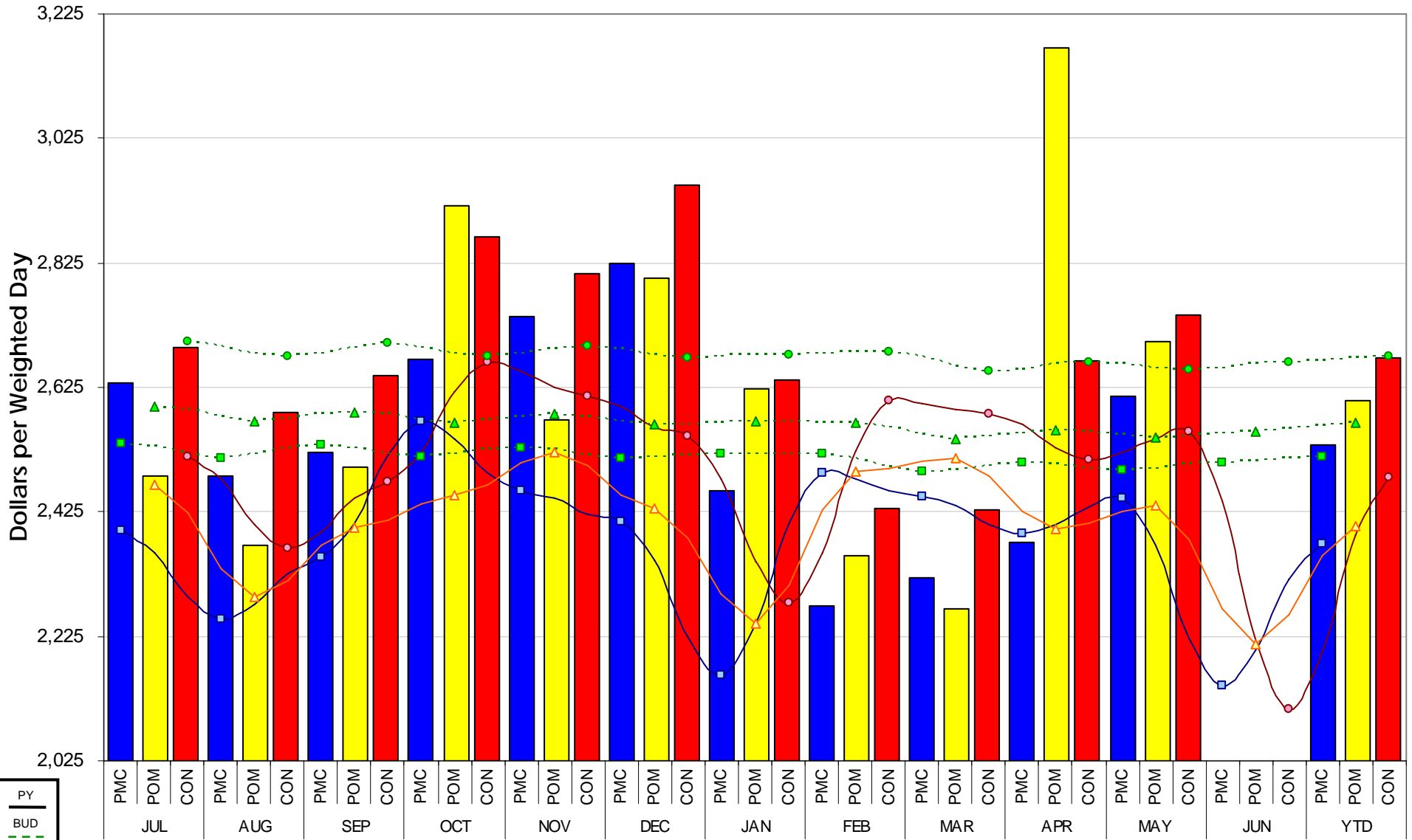


	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	1,082	1,012	1,042	1,089	1,090	1,267	1,004	1,012	1,032	1,073	1,058	-	1,068	1,051
POM	1,056	961	1,031	1,138	1,062	1,249	1,054	1,045	1,033	1,184	1,049	-	1,076	1,040
CON	1,284	1,197	1,240	1,366	1,335	1,533	1,221	1,217	1,176	1,302	1,267	-	1,283	1,261

Weighted Patient Days
Supplies per WPD

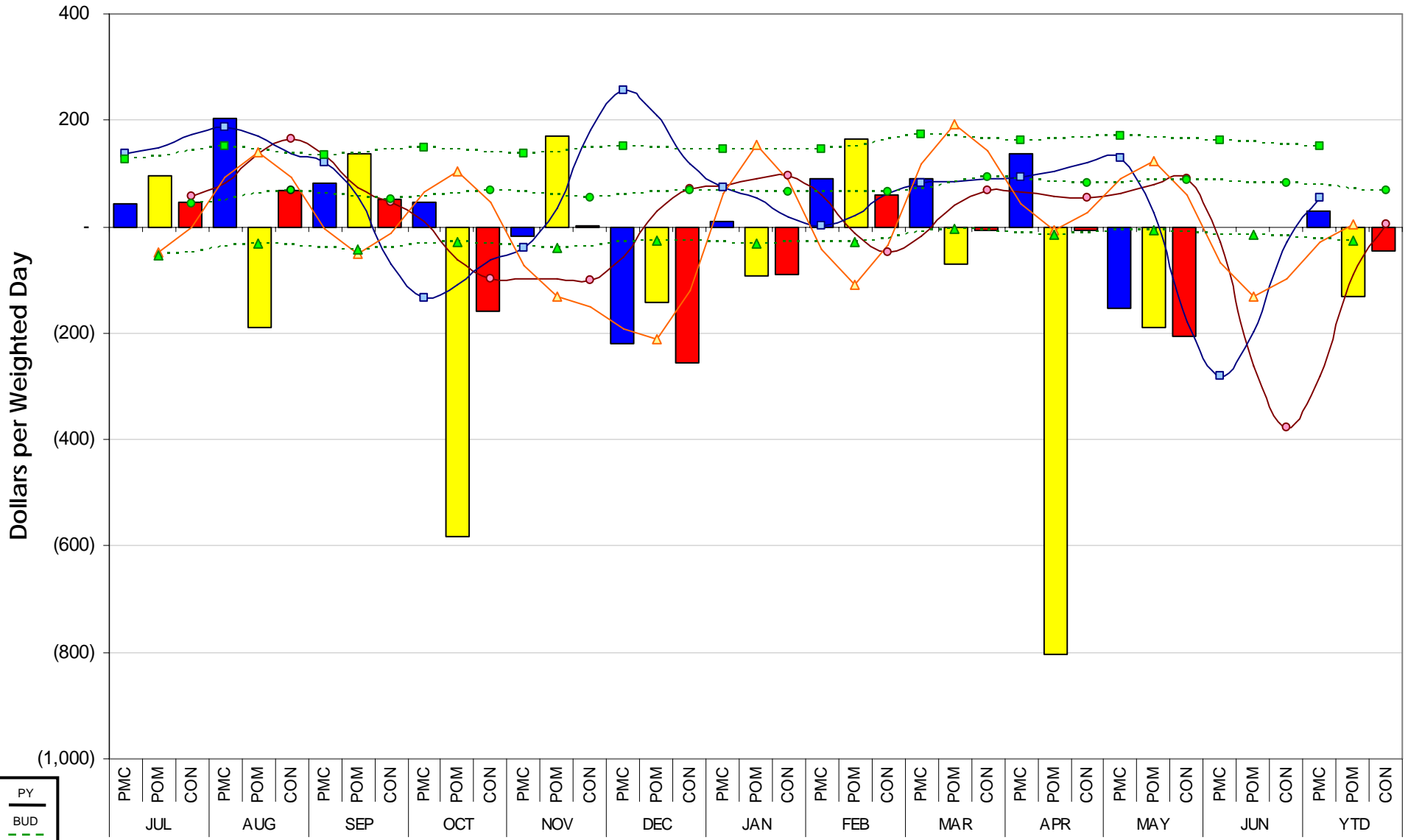


Weighted Patient Days
Total Expenses per WPD



	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>YTD</u>	<u>B-YTD</u>
PMC	2,632	2,483	2,521	2,671	2,739	2,824	2,460	2,274	2,318	2,376	2,611	-	2,532	2,522
POM	2,482	2,371	2,496	2,917	2,573	2,801	2,623	2,354	2,269	3,171	2,698	-	2,605	2,568
CON	2,689	2,584	2,644	2,866	2,808	2,950	2,637	2,430	2,427	2,668	2,742	-	2,672	2,676

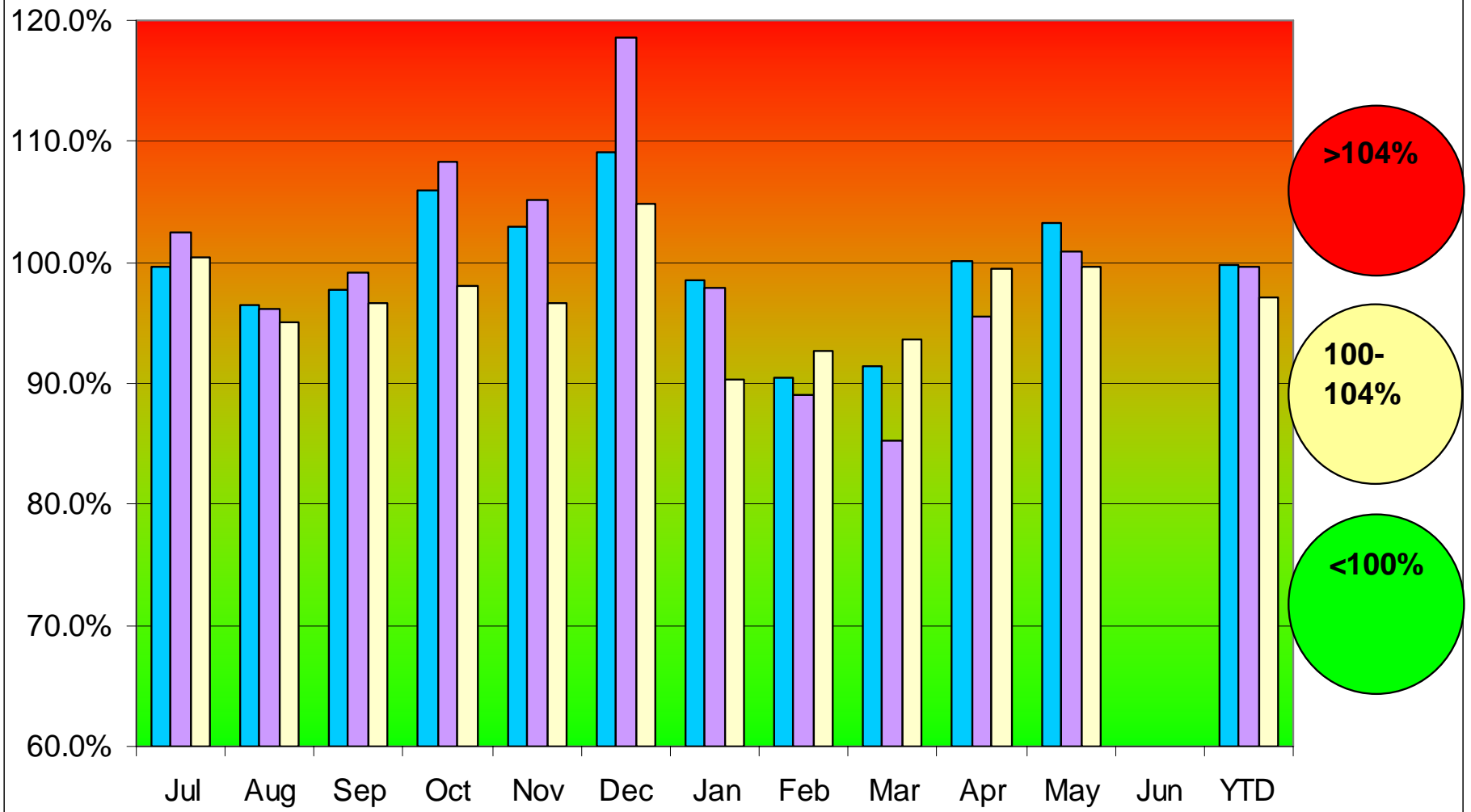
Weighted Patient Days
Net Operating Income per WPD



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	B-YTD
PMC	43	204	83	46	(19)	(220)	10	90	89	137	(154)	-	30	148
POM	96	(190)	136	(582)	171	(142)	(93)	165	(71)	(803)	(190)	-	(130)	(28)
CON	45	68	51	(158)	1	(254)	(91)	59	(7)	(8)	(206)	-	(44)	68

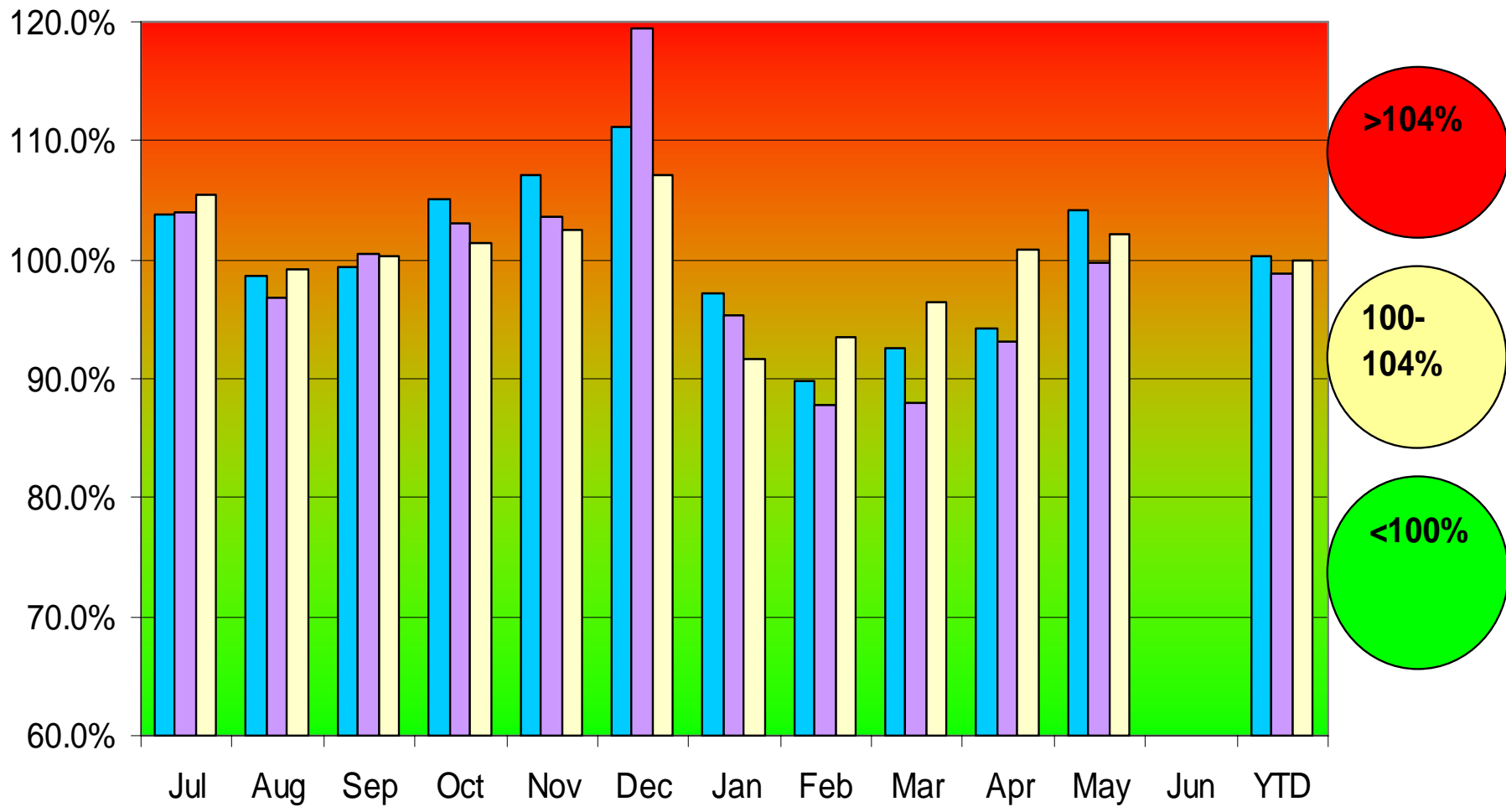
Total Consolidated Financial Indicators BSC-FY08

■ % exp /wtd pt day ■ % SWB/wt pt day ■ % Prod FTE/AOB



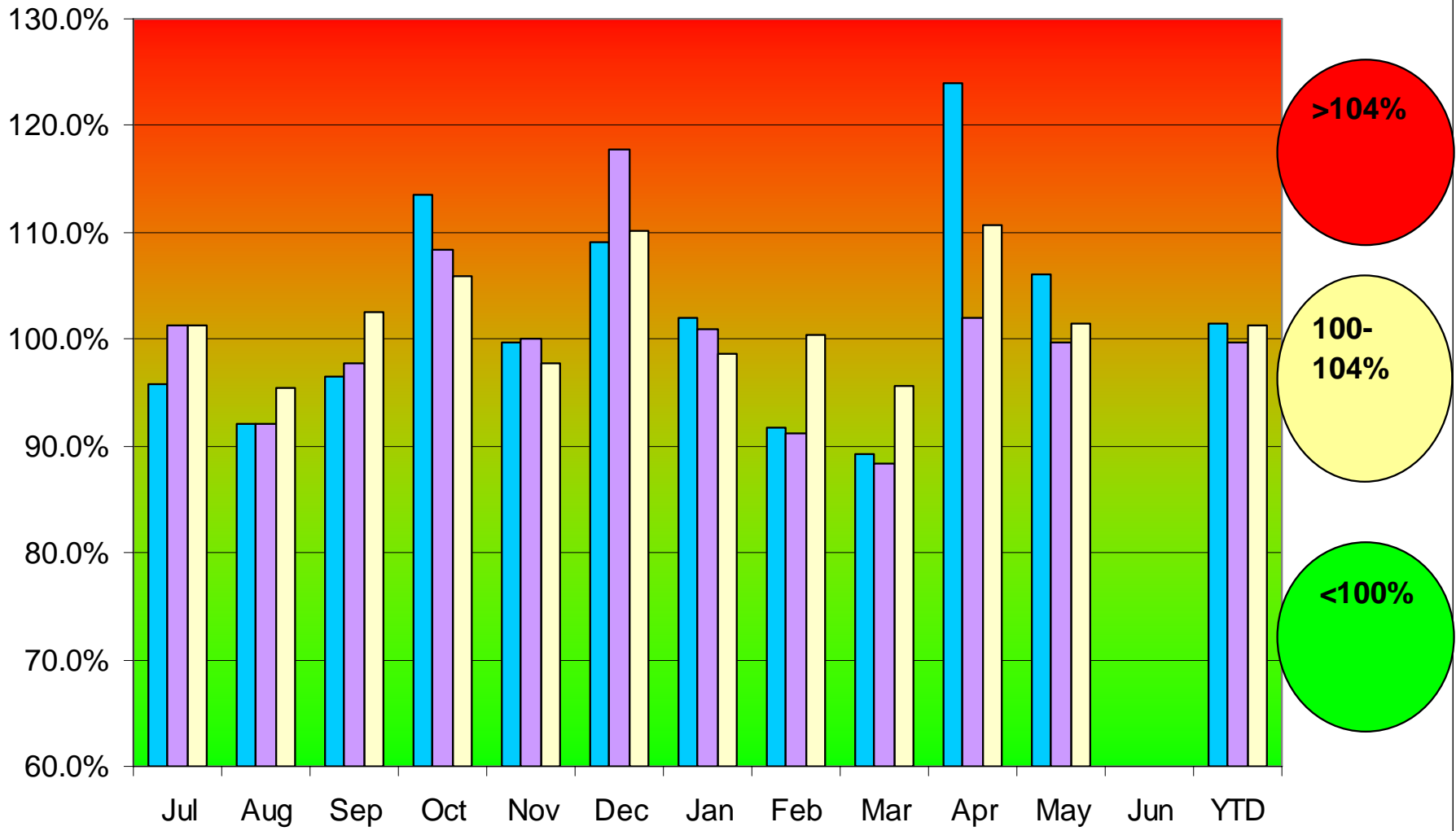
North Consolidated Financial Indicators BSC-FY08

■ % exp /wtd pt day ■ % SWB/wt pt day ■ % Prod FTE/AOB



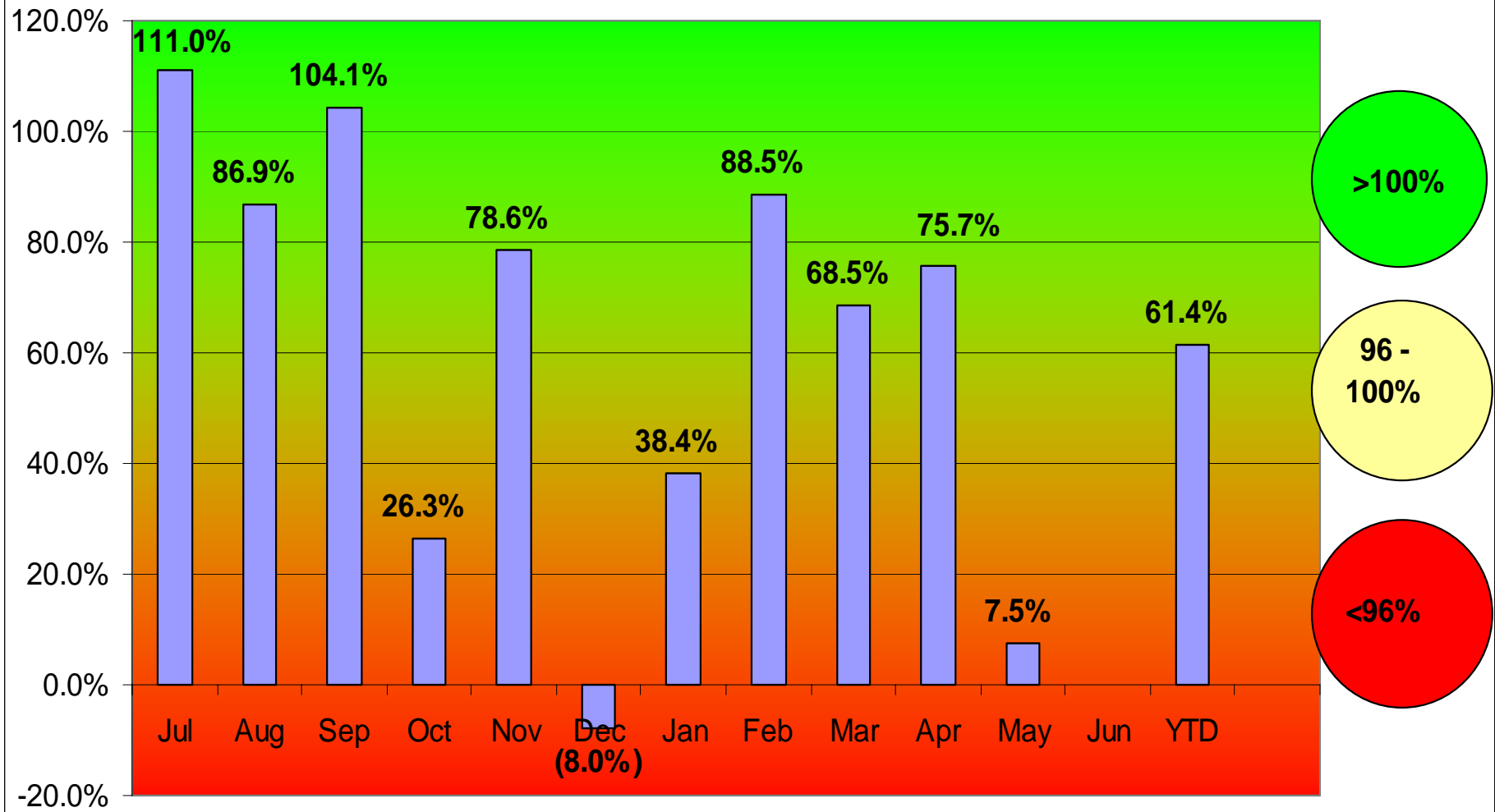
South Consolidated Financial Indicators BSC-FY08

■ % exp /wtd pt day ■ % SWB/wt pt day ■ % Prod FTE/AOB



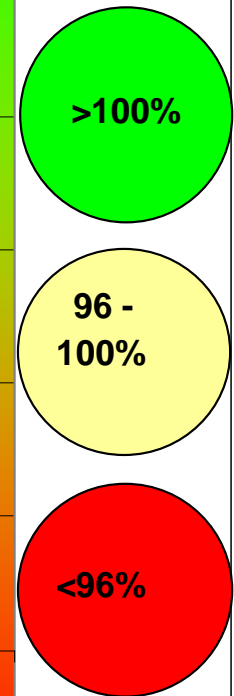
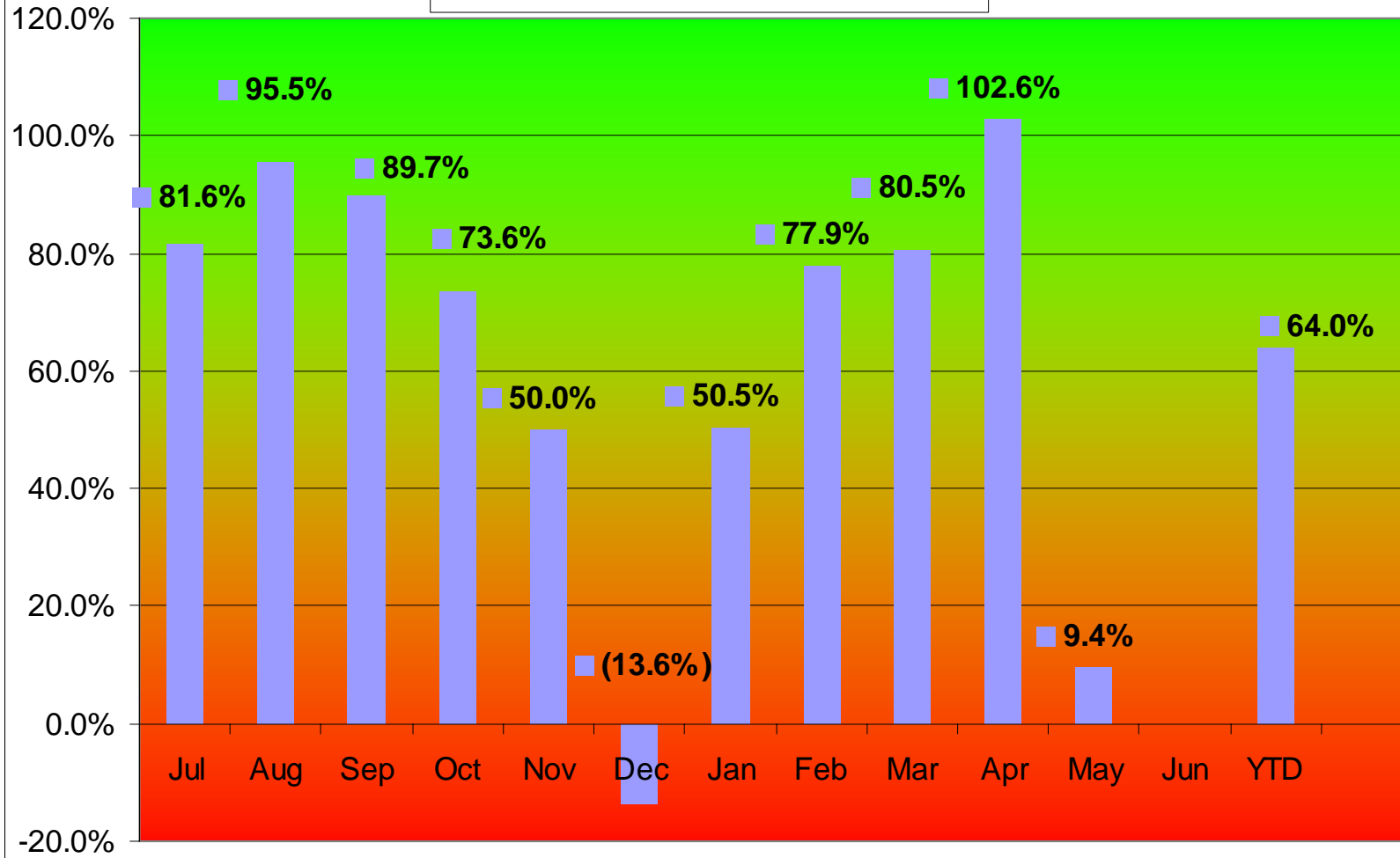
Total Consolidated OEBITDA w/ Prop Taxes -FY08

■ % of Actual to Budget



North Consolidated OEBITDA w/ Prop Taxes - FY08

■ % of Actual to Budget



South Consolidated OEBITDA w/ Prop Taxes - FY08

