

# BAKER DONELSON

100 LIGHT STREET · BALTIMORE, MARYLAND 21202 · 410.685.1120 · bakerdonelson.com

HOWARD L. SOLLINS, SHAREHOLDER

Direct Dial: 410-862-1101

Direct Fax: 443-263-7569

E-Mail Address: [hsollins@bakerdonelson.com](mailto:hsollins@bakerdonelson.com)

March 4, 2021

## **VIA FEDERAL EXPRESS AND E-MAIL**

Kevin McDonald, Chief - Certificate of Need Division  
William D. Chan, Program Manager  
Maryland Health Care Commission  
4160 Patterson Avenue  
Baltimore, Maryland 21215-2299

Re: Shady Grove Medical Center Proposed Construction and Renovation  
Docket No. 20-15-2443

### **Responses to Health Services Cost Review Commission Additional Questions**

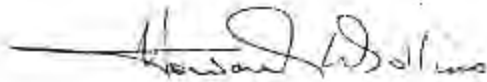
Dear Mr. McDonald and Mr. Chan:

On behalf of Adventist HealthCare, Inc. d/b/a Adventist HealthCare Shady Grove Medical Center ("Shady Grove"), we are hereby submitting the required four (4) copies of our responses to the Health Service Cost Review Commission additional questions which were forwarded to Shady Grove on December 23, 2020 regarding the above-referenced project. We will also provide Word, Excel and PDF copies of our responses and exhibits as appropriate.

I hereby certify that a copy of this response has also been forwarded to the appropriate local health planning agency, as noted below.

If any further information is needed, please let us know.

Sincerely,



Howard L. Sollins

HLS/tjr  
Enclosures

Kevin McDonald, Chief - Certificate of Need Division  
William D Chan, Program Manager  
March 4, 2021  
Page 2

cc (via *First Class Mail and Email*):

Travis A. Gayles, M.D., Ph.D., Health Officer

Montgomery County Department of Health and Human Services

Daniel L. Cochran, President, AHC Shady Grove Medical Center

Robert Jepson, AHC

Mike Lukens, VP and CFO, AHC Shady Grove Medical Center

Andrew Nicklas, Deputy General Counsel, AHC

Linda Beth Berman, CON Consultant

Ms. Ruby Potter

Ms. Laura Hare

Re: Shady Grove Medical Center Proposed Construction and Renovation  
Matter No. 20-15-2443

**Health Services Cost Review Commission  
Shady Grove Patient Tower CON 10/09/2020  
Inquiries & Observations – Review of Submitted Materials 12/18/2020**

**Table E – Project Budget**

1) As per Gantt Chart on Exhibit 29 of Completeness Response dated 12/11/2020, the construction phase runs from 09/01/2021 through 08/31/2024 (3 years) and the renovation phase runs from 09/01/2024 through 08/31/2026 (2 years). As per page 6 of the Completeness Response dated 12/11/2020, the interest rate used to project the sources of funds is 4.5% on traditional tax exempt municipal financing with a 30-year term. As per Table E Project Budget, the allocation of the Authorized Bonds is split \$143,919,200 on Construction, and \$10,095,800 on Central Utility Plant Upgrade, totaling \$154,015,000. Please illustrate comutation of line c.(3) "Gross Interest during construction period" of \$14,611,596.

**RESPONSE:**

The attachment titled “Ziegler Bond Run Supporting 6 b,d,f” (Exhibit 41) provides detail of the gross interest during the construction period.

**Table G - P&L Uninflated Entire Facility:**

2) Regarding CY 2018 & CY 2019:

- In order to tie back to the audited financials I needed to combine SGMC and Lourie Center together.

**RESPONSE:**

The Lourie Center is included in the consolidated financial projections as presented in the CON application but is not included in the Obligated Group of AHC. For the audited financial statements, the Lourie Center would have to be added back into Shady Grove.

- Is the Lourie Center included in the projections going forward? If so then please specify Lourie Center measures.

**RESPONSE:**

Yes, the Lourie Center is included in the consolidated financial projections as presented in the CON application. The Lourie Center is included in the Shady Grove consolidation for purposes of AHC’s internal financial reporting. In order to tie to the audit, it is necessary to add Shady Grove and the Lourie Center together since these entities are reported separately for the audit. In addition, there are minor reclassifications done for audit reporting that are resulting in the immaterial differences noted in the file by HSCRC when tying out CY 2018 and CY 2019. The Lourie Center is included in the financial projections in the CON application since the projections use the internal

financial reports for CY 2018 and CY 2019 as the base period. Please refer to tab “H. Assumpt\_Curr\_Inflated”, rows 24-29 for assumptions related to deductions from revenue for the Lourie Center for the projected period. Please note that the Lourie Center revenue makes up 3.8% of combined Shady Grove entity and its assets are 1.3% of the total. The Lourie Center is immaterial to the information presented.

- Why are 2018 & 2019 Professional Fees Expense so much higher relative to forward looking projections?

**RESPONSE:**

During 2019, Shady Grove renegotiated and made changes to several of its hospital-based provider arrangements which resulted in about \$1M savings annually.

- 3) Regarding projected years, is Rehabilitation and/or Behavioral Health included in the operations? If so, then please specify their respective measures. I understand Rehab was added to GBR in 2019, and Behavioral Health was added to GBR in 2020, how does this impact projections?

**RESPONSE:**

Adventist Rehabilitation Hospital of Maryland (Rehab) is not included in Shady Grove’s consolidated financials and was not added to Global Budget Revenue in 2019. Rehab operates on a separate license and is not a part of the financial projection for Shady Grove.

Behavioral Health was added to the Shady Grove Global Budget Revenue in August 2018. Behavioral Health is included in historical financial statements from 2018 forward. Because it is a department within Shady Grove, there are not separate financial statements or metrics specific to Behavioral Health.

- 4) Per page 45 of the CON, there is reference to financial ratios leading to decision to borrow \$154 million for this project.
- Please reflect balance sheet for each year presented (history & projected) and show computation of key liquidity and leverage ratios, inclusive of Debt Service coverage ratio, and days operating cash on hand.
  - Please reflect cash flows statements for each year presented (historic & projected).

**RESPONSE:**

Support for the ratios presented on page 45 of the CON application is included in Exhibit 42 titled “Support for Ratios on page 45 of CON Application”. This file includes balance sheets for each year presented as well as the detail of the ratios shown. Cash flow statements for the historical periods are available in Adventist HealthCare’s audited financial statements for CY 2018 and CY 2019. Cash flow statements were not completed for the projected periods.

- 5) As per Gantt Chart on Exhibit 29 of Completeness Response dated 12/11/2020, the construction phase runs from 09/01/2021 through 08/31/2024 (3 years) and the renovation phase runs from 09/01/2024 through 08/31/2026 (2 years). Consistent with the instructions for

Tables G and H, The Projected Years (ending at least two years after project completion and full occupancy). However as presented projections conclude with CY 2026. Please explain this apparent inconsistency. Please extend projections if required.

**RESPONSE:**

Attached as Exhibit 43 are the updated CON Tables F, G, H, and L. The financial and statistical projections were updated to extend the time frame of the projections from CY 2026 to CY 2028. The assumptions used in the updated projections are consistent with those used in the previous application submission.

- 6) a) Regarding CY 2020, gross revenues include nearly \$30 million as Covid Stimulus Funds. Have such funds been fully realized? And if so, are such funds expected to be fully retained without offset?

**RESPONSE:**

The financial projections submitted as part of the CON application assumed that lost revenues would be calculated as the difference between charges and allowable GBR. The amount in the projections reflect the estimates at the time the financial projections were prepared. At this time, AHC recognizes CARES Act funding in the income statement in Other Operating Revenue to offset lost revenue and COVID-19 related expenses that have been experienced. Amounts received in excess of actual lost revenue or COVID-19 related expenses are currently booked on the balance sheet as a liability to be paid back or to be recognized as revenue to offset future lost revenue or COVID-19 related expenses. To date, Shady Grove has recognized \$24.7M in the income statement to offset lost revenue and COVID-19 related expenses. With the continued duration of the second major COVID-19 surge in Maryland, we expect lost revenues and COVID-19 related expenses will continue for at least several more months. We expect to be able to retain and use the COVID Stimulus Funds received to date.

- b) It is assumed that the sharp increase in Contractual Services in 2020 is related to Covid, has such a large increase been realized? Is such anticipated to carry forward throughout the duration of the pandemic?

**RESPONSE:**

Yes, there has been a large increase in the need for contract labor to supplement staff as part of the COVID-19 pandemic response. Actual performance in 2020 will be very similar to the projection of \$17.5M for the year. Higher than normal need for contract labor is expected to continue based on the degree and duration of impact experienced locally. The financial projections in the CON application for years 2021 and beyond do not include impact specific to the pandemic because at the time of their preparation, the duration of the pandemic was not known.

- c) Similarly, it is assumed that the sharp increase in Supplies in 2020 is related to Covid, has such a large increase been realized? Is such anticipated to carry forward throughout the duration of the pandemic?

**RESPONSE:**

Yes, there has been a large increase in the cost of medical supplies related to personal protective equipment, pharmaceuticals, and other therapeutic treatments related to the COVID-19 pandemic. Actual performance in 2020 will be a significant increase over historical periods but will likely be less than was projected in the CON application. Current estimates for 2020 have supply expense at close to \$60M. The financial projections in the CON application for years 2021 and beyond do not include impact specific to the pandemic because at the time of their preparation, the duration of the pandemic was not known.

- 7) Regarding Other Operating Revenues, why is 2020 so much higher than other years? Why do 2021 and 2024 fall by approx. \$3 million relative to immediate prior year?

**RESPONSE:**

As per the response to Question 6, the financial projections in the CON application assumed that lost revenues would be calculated as the difference between charges and allowable GBR. When funds were recognized to offset lost revenue or COVID-19 related expenses, that was booked to the Other Operating Revenue line on the income statement. At the time of preparation of the financial projections in the CON application, Shady Grove had recognized approximately \$3M to offset COVID-19 related expenses. The financial projections in the CON application for years 2021 and beyond do not include impact specific to the pandemic because at the time of their preparation, the duration of the pandemic was not known.

- 8) Regarding Building & Maintenance Expenses, why do such fall sharply in 2024?

**RESPONSE:**

Shady Grove holds a master lease for a medical office building in Germantown that houses physician office space. In 2024, the master lease expires, and revenues related to any sub-leased spaces as well as the expense related to the master lease are removed from Shady Grove's financial projections for the years 2024 and beyond.

- 9) Regarding Non-Operating Income, why so high in 2019?

**RESPONSE:**

AHC had overall strong performance in its investment portfolio during CY 2019, approximately 9%, and Shady Grove's share of the investment earnings are reflected in non-operating income in CY 2019.

**Table H - P&L Inflated Entire Facility:**

- 10) Please illustrate the annual changes in projected revenues, so to clearly reflect how much is due to rate inflation, and how much is due to volume changes, how much is due to introduction of entities to the consolidation (see items 2 & 3 above). Per Page 47 of CON annual inflation is 2.35%, and per Exhibit 9 of CON inflation plus changes in population plus changes in use rates drive revenues - please illustrate respective contributions on changes in revenues.

**RESPONSE:**

The table below and attached as Exhibit 44 details the revenue assumptions that were used to develop the financial projections in the CON application:

	CY 2020		CY 2021		CY 2022		CY 2023		CY 2024		CY 2025		CY 2026	
	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec
<b>Shady Grove Medical Center</b>														
<i>Global Update Assumptions:</i>														
Update Factor		2.36%		2.36%		2.36%		2.36%		2.36%		2.36%		2.36%
Age Adjusted Population Growth		-0.01%		-0.01%		-0.01%		-0.01%		-0.01%		-0.01%		-0.01%
PY Price Variance		0.33%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
Other Adjustments		-0.10%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
PY Quality Reversals		-0.17%		0.13%		0.13%		0.13%		0.13%		0.13%		0.13%
Current Year Quality		-0.13%		-0.13%		-0.13%		-0.13%		-0.13%		-0.13%		-0.13%
Other - Change in Markup		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
<b>Total</b>		<b>2.28%</b>		<b>2.35%</b>		<b>2.35%</b>		<b>2.35%</b>		<b>2.35%</b>		<b>2.35%</b>		<b>2.35%</b>
<b>Germantown Emergency Center</b>														
<i>Global Update Assumptions:</i>														
Update Factor		2.64%		2.64%		2.64%		2.64%		2.64%		2.64%		2.64%
Age Adjusted Population Growth		-0.42%		-0.42%		-0.42%		-0.42%		-0.42%		-0.42%		-0.42%
PY Price Variance		-2.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
<b>Total</b>		<b>0.16%</b>		<b>2.21%</b>		<b>2.21%</b>		<b>2.21%</b>		<b>2.21%</b>		<b>2.21%</b>		<b>2.21%</b>
Lourie Center		1%		1%		1%		1%		1%		1%		1%
Radiation Oncology		1%		1%		1%		1%		1%		1%		1%
Adventist Medical Group - Shady Grove		1%		1%		1%		1%		1%		1%		1%
Adventist Medical Group - Behavioral Health		1%		1%		1%		1%		1%		1%		1%

*File: Revenue Inflation Trend*

11) Please reconcile each calendar year's revenue to the respective rate year's GBR (both actual & projected).

**RESPONSE:**

The table below and attached as Exhibit 45 reconciles each calendar year's revenue to the respective rate year's GBR:

SGMC GBR	CY 2019	CY 2020		CY 2021		CY 2022		CY 2023		CY 2024		CY 2025		CY 2026		
	Jan - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	
		SFY 2021		SFY 2022		SFY 2023		SFY 2024		SFY 2025		SFY 2026				
<b>Gross Revenue:</b>																
Gross Charges	\$ 470,520,837	\$ 213,731,298	\$ 247,800,875	\$ 246,490,763	\$ 253,623,170	\$ 252,282,276	\$ 259,582,265	\$ 258,209,865	\$ 265,681,374	\$ 264,276,728	\$ 271,923,787	\$ 270,486,138	\$ 278,312,870	\$ 276,841,442	\$ 284,852,071	
Stimulus Funds	\$ -	\$ 28,115,520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
UCC Pool (Payments)/Rec	1,972,650	2,084,270	2,235,691	2,223,871	2,288,220	2,276,123	2,341,984	2,329,602	2,397,011	2,384,338	2,453,331	2,440,360	2,510,974	2,497,699	2,569,972	
<b>Total SGMC</b>	<b>\$ 472,493,487</b>	<b>\$ 243,931,088</b>	<b>\$ 250,036,566</b>	<b>\$ 248,714,634</b>	<b>\$ 255,911,391</b>	<b>\$ 254,558,398</b>	<b>\$ 261,924,249</b>	<b>\$ 260,539,467</b>	<b>\$ 268,078,385</b>	<b>\$ 266,661,066</b>	<b>\$ 274,377,118</b>	<b>\$ 272,926,498</b>	<b>\$ 280,823,844</b>	<b>\$ 279,339,141</b>	<b>\$ 287,422,043</b>	
<b>GEC GBR</b>																
	CY 2019	CY 2020		CY 2021		CY 2022		CY 2023		CY 2024		CY 2025		CY 2026		
	Jan - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	
		SFY 2021		SFY 2022		SFY 2023		SFY 2024		SFY 2025		SFY 2026				
<b>Gross Revenue:</b>																
Gross Charges	\$ 14,655,561	\$ 6,099,947	\$ 7,840,515	\$ 7,799,062	\$ 8,013,705	\$ 7,971,337	\$ 8,190,721	\$ 8,147,417	\$ 8,371,646	\$ 8,327,386	\$ 8,556,569	\$ 8,511,331	\$ 8,745,576	\$ 8,699,338	\$ 8,938,758	
Stimulus Funds	\$ -	\$ 1,845,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
UCC Pool (Payments)/Recep	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Total GEC</b>	<b>\$ 14,655,561</b>	<b>\$ 7,945,674</b>	<b>\$ 7,840,515</b>	<b>\$ 7,799,062</b>	<b>\$ 8,013,705</b>	<b>\$ 7,971,337</b>	<b>\$ 8,190,721</b>	<b>\$ 8,147,417</b>	<b>\$ 8,371,646</b>	<b>\$ 8,327,386</b>	<b>\$ 8,556,569</b>	<b>\$ 8,511,331</b>	<b>\$ 8,745,576</b>	<b>\$ 8,699,338</b>	<b>\$ 8,938,758</b>	
<b>Total GBR</b>																
	CY 2019	CY 2020		CY 2021		CY 2022		CY 2023		CY 2024		CY 2025		CY 2026		
	Jan - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	
		SFY 2021		SFY 2022		SFY 2023		SFY 2024		SFY 2025		SFY 2026				
<b>Gross Revenue:</b>																
Gross Charges	\$ 485,176,398	\$ 219,831,245	\$ 255,641,390	\$ 254,289,825	\$ 261,636,875	\$ 260,253,612	\$ 267,772,986	\$ 266,357,282	\$ 274,053,020	\$ 272,604,114	\$ 280,480,356	\$ 278,997,468	\$ 287,058,446	\$ 285,540,781	\$ 293,790,829	
Stimulus Funds	\$ -	\$ 29,961,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
UCC Pool (Payments)/Rec	1,972,650	2,084,270	2,235,691	2,223,871	2,288,220	2,276,123	2,341,984	2,329,602	2,397,011	2,384,338	2,453,331	2,440,360	2,510,974	2,497,699	2,569,972	
<b>Total GBR</b>	<b>\$ 487,149,048</b>	<b>\$ 251,876,762</b>	<b>\$ 257,877,081</b>	<b>\$ 256,513,696</b>	<b>\$ 263,925,096</b>	<b>\$ 262,529,735</b>	<b>\$ 270,114,970</b>	<b>\$ 268,686,884</b>	<b>\$ 276,450,032</b>	<b>\$ 274,988,452</b>	<b>\$ 282,933,686</b>	<b>\$ 281,437,828</b>	<b>\$ 289,569,420</b>	<b>\$ 288,038,479</b>	<b>\$ 296,360,800</b>	

*File: Revenue Reconciliation from CY to SFY 1.15.21*

12) Please collect and present a consolidated list of all the assumptions upon which the projections are based (i.e. useful lives of assets built and procured, rates of interest incurred, Inpatient days, Outpatient visits, etc.)

**RESPONSE:**

Attached as Exhibit 46 are consolidated lists of assumptions used in the creation of the financial projections found in CON Tables F, G, and H. One table corresponds to the unflipped view (Table

G), one for the inflated view (Table H), and one details the assumptions for the useful lives of assets related to the project as based on CON Table E Project Budget. There is an immaterial variance between the calculation of the Table E depreciation and that used in the financial projections due to the timing of when the documents were originally produced.

13) Please extend projections as required so to cover at least two years following completion of project (see item 5 above).

**RESPONSE:**

Attached as Exhibit 43 are the updated CON Tables F, G, H, and L. The financial and statistical projections were updated to extend the time frame of the projections from CY 2026 to CY 2028. The assumptions used in the updated projections are consistent with those used in the previous application submission.

14) Gross patient service revenues are projected to grow by approximately 2.3% annually. Net patient service revenues are projected to grow by approximately 2.3% annually. As per review of recent rate order history, it appears that rate inflation has averaged closer to 2.8%. Please comment on apparent disconnect.

**RESPONSE:**

The base update factor for the past few years has been higher than 2.3%, but there has been a regular PAU adjustment netted against the update factor every year. As shown in the table below and in Exhibit 47, the average net update for the past 5 years has been 2.23%. Therefore, 2.3% is a reasonable assumption for the financial projections as presented in the CON application.

HSCRC Approved Annual Update Factors  
FY 2017 thru FY 2021

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>5 Year Average</u>
Update Factor	1.92%	2.68%	2.57%	2.96%	2.77%	
PAU Adjustment	<u>-0.65%</u>	<u>-0.20%</u>	<u>-0.30%</u>	<u>-0.30%</u>	<u>-0.28%</u>	
Net Update	1.27%	2.48%	2.27%	2.66%	2.49%	2.23%

*File: Average Update Approved Update Factors*

15) Regarding interest expense on current debt. Shouldn't this tie back to Table G, as such interest is already contracted? Why has it grown by \$705k in 2026?

**RESPONSE:**

The financial projections in Table H of the CON application include a 2% inflator per year represent possible changes to variable rate bond funding. Currently, national interest rates are at a historically low level. For the sake of conservatism, a reasonable inflator was added to account for the possibility that interest rates may rise over the next several years.

16) Regarding current depreciation. This should only grow due to new/additional procurement, depreciation on existing assets should remain constant. Why has it grown by \$2.5M in 2026?

**RESPONSE:**

The financial projections in Table H of the CON application include a 2% inflator per year to account for the expected effect of the current life cycle of assets at the facility. There are many large assets and equipment that have lasted longer than their depreciable lives and are no longer included in the annual depreciation expense. As these assets reach the end of their useable lives, Shady Grove will replace them with new assets that will begin depreciation expense once again. For the sake of conservatism, a reasonable inflator was added to account for this expected change.

17) Please include balance sheets and cash flows statements for each year (historic & projected) and please show construction of related financial ratios - see item 4 above.

**RESPONSE:**

The information provided in response to question #4 above provides the requested information.

18) Per page 44 of the CON the planned \$154M financing will be secured by the Obligated Group. Per pages 44 and 45 of the CON, the consolidated AHC is an appropriate representation of the Obligated Group. If the P&L and balance sheets of SGMC are not sufficient to service the proposed debt financing, then please include historic and projected statements of the consolidated AHC to illustrate financial feasibility & viability of the project.

**RESPONSE:**

The information provided in response to question #4 above provides the requested information.

## EXHIBIT LIST

41. Ziegler Bond Run supporting 6 b, d and f
42. Support for Ratios on page 45 of CON Application
43. Replacement Table 1, Pages F, G, H, L
44. Revenue Inflation Trend
45. Reconciliation of CY to SFY GBR Calculations
46. HSCRC Financial Projection Assumptions for HSCRC
47. Average Update Approval Update Factors
48. Attestations

## Exhibit 41

**Sources and Uses of Funds**  
**Adventist HealthCare - Shady Grove Medical Center**  
**New Money**

**Sources:**

Bond Proceeds:		
Par Amount	154,015,000.00	
Other Sources of Funds:		
Equity Contribution	25,999,186.00	
	180,014,186.00	

**Uses:**

Project Fund Deposits:		
Project Fund	130,002,060.00	
Equity Project Fund	25,999,186.00	
	156,001,246.00	
Other Fund Deposits:		
Capitalized Interest Fund	14,611,595.98 6b	
DSRF Deposit	7,473,375.00 6f	
	22,084,970.98	
Cost of Issuance:		
Other Cost of Issuance	1,925,187.50 6d	
Other Uses of Funds:		
Additional Proceeds	2,781.52	
	180,014,186.00	

Source: Ziegler Healthcare Banking

Exhibit 42

**Audited Financial Statements**

2017      2018      2019      2020      2021      2022      2023      2024      2025

**NOTE: DO NOT INPUT ON THIS SHEET--ALL FORMULAS**

	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Patient Revenue</b>									
Inpatient Services	\$ 499,704,995	\$504,023,698	\$543,589,612	\$571,952,624	\$611,979,899	\$628,266,517	\$646,599,798	\$665,367,299	\$684,823,807
Outpatient Services	515,954,056	527,017,902	550,185,964	583,564,479	603,603,028	612,286,966	621,157,626	630,219,095	639,475,549
2020 COVID Stimulus Funds				40,061,247					
<b>Gross Patient Revenue</b>	<b>\$ 1,015,659,051</b>	<b>\$ 1,031,041,600</b>	<b>\$ 1,093,775,576</b>	<b>\$ 1,195,578,350</b>	<b>\$ 1,215,582,928</b>	<b>\$ 1,240,553,483</b>	<b>\$ 1,267,757,424</b>	<b>\$ 1,295,586,394</b>	<b>\$ 1,324,299,356</b>
<b>Deductions from Patient Revenue</b>									
Contractual Discounts	203,099,071	200,561,578	210,760,302	226,777,133	232,995,480	237,316,117	241,909,695	246,602,704	251,423,286
Bad Debt	31,782,541	39,228,244	41,718,280	44,720,079	45,832,273	46,724,498	47,744,302	48,788,115	49,869,111
Provision for Charity	10,723,313	11,948,359	19,721,385	21,197,268	21,723,583	22,201,036	22,719,091	23,249,454	23,799,162
<b>Total Deductions from Revenue</b>	<b>\$ 245,604,925</b>	<b>\$ 251,738,180</b>	<b>\$ 272,199,967</b>	<b>\$ 292,694,480</b>	<b>\$ 300,551,336</b>	<b>\$ 306,241,651</b>	<b>\$ 312,373,088</b>	<b>\$ 318,640,274</b>	<b>\$ 325,091,559</b>
<b>Net Patient Revenue</b>	<b>\$ 770,054,126</b>	<b>\$ 779,303,420</b>	<b>\$ 821,575,609</b>	<b>\$ 902,883,870</b>	<b>\$ 915,031,592</b>	<b>\$ 934,311,832</b>	<b>\$ 955,384,337</b>	<b>\$ 976,946,120</b>	<b>\$ 999,207,797</b>
<b>Other Operating Revenue</b>	<b>36,118,168</b>	<b>41,246,589</b>	<b>40,930,283</b>	<b>44,192,090</b>	<b>41,234,385</b>	<b>41,934,846</b>	<b>42,649,317</b>	<b>40,578,076</b>	<b>41,265,412</b>
<b>Total Operating Revenue</b>	<b>\$ 806,172,294</b>	<b>\$ 820,550,009</b>	<b>\$ 862,505,892</b>	<b>\$ 947,075,959</b>	<b>\$ 956,265,976</b>	<b>\$ 976,246,678</b>	<b>\$ 998,033,653</b>	<b>\$ 1,017,524,196</b>	<b>\$ 1,040,473,208</b>
<b>Operating Expenses</b>									
Salaries and Wages	360,720,746	366,176,376	384,439,065	417,867,099	430,654,636	440,657,187	450,803,678	461,583,786	473,502,735
Employee Benefits	68,630,252	72,221,612	73,675,888	79,651,282	82,157,510	83,894,551	85,654,915	87,557,347	89,690,469
Contract Labor	39,039,683	35,754,655	38,699,033	24,312,578	19,416,157	18,444,206	17,334,955	17,070,968	16,672,531
Professional Fees	-	-	0	20798257	21706998.5	22062118.16	22423616.42	22791613.59	23166232.36
Supplies	103,013,363	104,580,658	107,737,246	124,754,501	124,172,827	128,170,099	132,272,108	136,488,121	140,817,078
General and Administrative	120,741,414	122,362,912	127,423,342	37,918,226	39,337,615	39,733,201	40,135,280	40,543,965	40,959,375
Purchased Services	-	-	0	90,635,305	91,775,161	92,914,820	94,078,575	95,266,980	96,480,602
Building and Maintenance	41,922,317	41,344,766	44,000,964	50,898,814	51,180,522	52,010,560	52,855,031	49,082,199	51,563,698
Insurance	5,674,763	9,113,009	6,950,972	7,538,534	7,656,096	7,772,793	7,891,469	8,012,161	8,134,904
Interest	10,353,452	11,951,282	16,586,180	26,346,442	26,467,780	26,591,545	26,717,785	33,793,650	33,924,990
Depreciation and Amortization	36,463,353	38,120,194	41,582,280	47,299,176	47,622,930	47,953,158	48,289,992	54,364,042	55,235,436
IT Depreciation	-	0	0	0	0	0	0	0	0
Allocation: IT Services	-	(0)	0	0	0	0	0	0	0
Allocation: Shared Services	-	0	0	0	0	0	0	0	0
AHC Management Fee	-	(0)	0	0	0	0	0	0	0
Loss on Disposal of Property & Equipment	-	0	3,265,295	0	0	0	0	0	0
<b>Total Operating Expenses</b>	<b>\$ 786,559,343</b>	<b>\$ 801,625,464</b>	<b>\$ 844,360,265</b>	<b>\$ 928,020,214</b>	<b>\$ 942,148,232</b>	<b>\$ 960,204,239</b>	<b>\$ 978,457,404</b>	<b>\$ 1,006,554,832</b>	<b>\$ 1,030,148,050</b>
<b>Excess of Rev over Exp from Operations</b>	<b>\$ 19,612,951</b>	<b>\$ 18,924,546</b>	<b>\$ 18,145,627</b>	<b>\$ 19,055,746</b>	<b>\$ 14,117,744</b>	<b>\$ 16,042,440</b>	<b>\$ 19,576,249</b>	<b>\$ 10,969,364</b>	<b>\$ 10,325,158</b>
<b>Nonoperating Revenue</b>									
Investment Income	b <sup>a</sup> 8,203,764	\$ 2,284,965	\$ 14,154,225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non Operating Interest Expense	b <sup>a</sup> -	\$ -	\$ -	\$ 4,723,024	\$ 6,478,609	\$ 6,561,649	\$ 6,646,764	\$ 6,734,008	\$ 6,823,433
Unrestricted Contributions	b <sup>a</sup> -	\$ -	\$ -	\$ (1,201,646)	\$ -	\$ -	\$ -	\$ -	\$ -
Non Operating Deduction	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Non-Operating	(1,994,397)	\$ 143,382	\$ 5,534,806	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Nonoperating Revenue</b>	<b>\$ 6,209,367</b>	<b>\$ 2,428,347</b>	<b>\$ 19,689,031</b>	<b>\$ 3,521,378</b>	<b>\$ 6,478,609</b>	<b>\$ 6,561,649</b>	<b>\$ 6,646,764</b>	<b>\$ 6,734,008</b>	<b>\$ 6,823,433</b>
<b>Excess of Revenue over Expenses Before Extraordinary Items</b>	<b>\$ 25,822,318</b>	<b>\$ 21,352,893</b>	<b>\$ 37,834,658</b>	<b>\$ 22,577,124</b>	<b>\$ 20,596,353</b>	<b>\$ 22,604,088</b>	<b>\$ 26,223,014</b>	<b>\$ 17,703,372</b>	<b>\$ 17,148,590</b>
<b>Extraordinary Items</b>	<b>-</b>	<b>\$ 668</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess of Revenue over Expenses</b>	<b>\$ 25,822,318</b>	<b>\$ 21,353,561</b>	<b>\$ 37,834,658</b>	<b>\$ 22,577,124</b>	<b>\$ 20,596,353</b>	<b>\$ 22,604,088</b>	<b>\$ 26,223,014</b>	<b>\$ 17,703,372</b>	<b>\$ 17,148,590</b>

<b>Balance Sheet - Assets</b>	<b>6+6</b>								
	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Current Assets</b>									
Cash	\$ 235,407,975	\$ 237,743,153	\$ 252,507,424	\$ 257,967,338	\$ 274,248,493	\$ 294,478,438	\$ 316,308,553	\$ 342,530,018	\$ 365,879,583

Limited As To Use	2,923,796	3,573,229	3,716,230	-	-	-	-	-	-
Accounts Receivable Net of Reserves	93,209,946	94,756,571	117,498,048	118,520,255	117,895,805	120,359,180	123,045,245	125,105,434	128,277,519
Days	42	42	50	46	45	45	45	45	45
Other Receivable	15,009,202	12,096,855	13,764,346	13,929,859	14,103,563	14,398,250	14,719,577	14,966,032	15,345,500
Days	7	5	6	5	5	5	5	5	5
Third Party Settlements	-	-	-	465,307	465,307	465,307	465,307	465,307	465,307
Change YOY	-	-	-	-	-	-	-	-	-
Supply Inventories, at cost	9,410,777	8,611,875	12,418,380	12,762,824	12,738,120.46	13,148,175.78	13,568,975.47	13,963,214.71	14,445,550.88
Days	33.34	30.06	42.07	37.44	37	37	37	37	37
Prepaid Expenses and Other	7,653,048	8,337,954	8,074,200	8,074,200	8,219,578	8,377,104	8,536,350	8,757,487	8,987,315
Days	4	4	3	3	3.18	3.18	3.18	3.18	3.18
<b>Total Current Assets</b>	<b>\$ 363,614,744</b>	<b>\$ 365,119,637</b>	<b>\$ 407,978,628</b>	<b>\$ 411,719,783</b>	<b>\$ 427,670,867</b>	<b>\$ 451,226,454</b>	<b>\$ 476,644,007</b>	<b>\$ 505,787,492</b>	<b>\$ 533,400,774</b>
<b>Assets Limited as to Use</b>									
Trusted Assets	244,332,570	139,004,400	40,290,848	38,410,863	38,410,863	38,410,863	38,410,863	38,410,863	38,410,863
Change YOY	-	(105,328,169.52)	(98,713,552.48)	-	-	-	-	-	-
Professional liability trust fund	11,878,591	11,128,261	13,948,336	14,660,404	14,660,404	14,660,404	14,660,404	14,660,404	14,660,404
Change YOY	-	(750,329.94)	2,820,074.94	712,067.72	-	-	-	-	-
Deferred compensation fund	1,403,371	1,300,086	1,537,921	1,171,765	1,195,113	1,219,291	1,243,537	1,271,423	1,302,082
Days	1.1	1.0	1.1	0.8	0.8	0.8	0.8	0.8	0.8
<b>Total Assets Limited as to Use</b>	<b>\$ 257,614,532</b>	<b>\$ 151,432,748</b>	<b>\$ 55,777,105</b>	<b>\$ 54,243,032</b>	<b>\$ 54,266,379</b>	<b>\$ 54,290,558</b>	<b>\$ 54,314,804</b>	<b>\$ 54,342,690</b>	<b>\$ 54,373,349</b>
<b>Net PP&amp;E</b>	<b>\$ 511,609,795</b>	<b>\$ 652,882,719</b>	<b>\$ 724,843,830</b>	<b>\$ 737,955,833</b>	<b>\$ 737,955,833</b>	<b>\$ 787,120,621</b>	<b>\$ 860,867,804</b>	<b>\$ 892,010,917</b>	<b>\$ 885,759,484</b>
<b>Financing Lease Right of Use Asset</b>	<b>0</b>	<b>0</b>	<b>2,965,826</b>	<b>4,964,719</b>	<b>4,964,719</b>	<b>4,964,719</b>	<b>4,964,719</b>	<b>4,964,719</b>	<b>4,964,719</b>
<b>Operating Lease Right of Use Asset</b>	<b>0</b>	<b>0</b>	<b>73,138,408</b>	<b>73,138,409</b>	<b>73,138,409</b>	<b>73,138,409</b>	<b>73,138,409</b>	<b>73,138,409</b>	<b>73,138,409</b>
<b>Other Assets</b>									
Cash and Cash Equivalents Temporarily Restriced for Capital	1,123,024	1,512,793	922,325	846,708	846,708	846,708	846,708	846,708	846,708
SGMC Tower Bond Fund	0	0	0	0	0	105,215,212	31,468,029	0	0
Debt Service Reserve Fund - SGMC Tower	-	-	-	-	-	164,415	500,720	837,024	1,173,329
Investments and Investments in Unconsolidated Subsidiaries:	14,856,657	17,057,997	22,555,200	25,781,856	25,781,856	25,781,856	25,781,856	25,781,856	25,781,856
Change YOY	-	2,201,340.10	5,497,202.90	3,226,655.93	-	-	-	-	-
Land Held for Healthcare Development	47,660,070	45,404,765	48,091,039	50,156,603	50,156,603	50,156,603	50,156,603	50,156,603	50,156,603
Change YOY	-	(2,255,304.70)	2,686,273.70	2,065,564.44	-	-	-	-	-
Deferred Financing Costs, Net	-	-	-	4,914,093	4,914,093	4,914,093	4,914,093	4,914,093	4,914,093
Intangible Assets, Net	8,343,130	8,127,689	7,918,711	7,734,874	7,734,874	7,734,874	7,734,874	7,734,874	7,734,874
Deposits and Other Noncurrent Assets	3,178,662	4,592,743	3,677,673	2,490,226	2,490,226	2,490,226	2,490,226	2,490,226	2,490,226
Change YOY	-	1,414,080.52	(915,069.52)	(1,187,446.92)	-	-	-	-	-
Assets Held for Sale	0	-	15,939,824	-	-	-	-	-	-
Change YOY	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,208,000,614</b>	<b>\$ 1,246,131,090</b>	<b>\$ 1,363,808,569</b>	<b>\$ 1,373,946,136</b>	<b>\$ 1,389,920,567</b>	<b>\$ 1,568,044,749</b>	<b>\$ 1,593,822,852</b>	<b>\$ 1,623,005,611</b>	<b>\$ 1,644,734,423</b>
<b>Balance Sheet - Liabilities and Net Assets</b>									
<b>Current Liabilities</b>									
Accounts payable and accrued expenses	\$86,667,278	\$ 86,631,393	\$ 110,337,646	\$ 116,271,989	\$ 108,759,242	\$ 110,964,604	\$ 113,193,531	\$ 115,066,311	\$ 117,896,680
Days	40	39	48	46	46	46	46	46	46

Accrued compensation and related items	37,260,446	\$ 37,155,567	\$ 45,674,609	\$ 45,674,607	\$ 46,584,662	\$ 47,527,127	\$ 48,472,216	\$ 49,559,182	\$ 50,754,251
Days	29	29	34	32	32	32	32	32	32
Interest payable	9,747,294	\$ 9,775,665	\$ 9,916,230	\$ 9,916,230	\$ 9,916,230	\$ 9,916,230	\$ 9,916,230	\$ 9,916,230	\$ 9,916,230
Due to third-party payors	17,818,402	\$ 19,981,019	\$ 19,589,154	\$ 41,238,962	\$ 41,238,962	\$ 41,238,962	\$ 41,238,962	\$ 41,238,962	\$ 41,238,962
Change YOY		2,162,616.58	(391,864.58)	21,649,808.21	-	-	-	-	-
Estimated self-insured professional liability	14,262,545	\$ 16,725,085	\$ 18,068,182	\$ 15,928,464	\$ 15,928,464	\$ 15,928,464	\$ 15,928,464	\$ 15,928,464	\$ 15,928,464
Change YOY		2,462,540.42	1,343,096.58	(2,139,718.39)	-	-	-	-	-
<b>Current maturities of long-term obligations</b>	13,019,860	9,151,220	28,367,166	27,615,735	27,615,735	27,615,735	27,615,735	27,615,735	27,615,735
Current maturities of long-term obligations	13,019,860	\$ 9,151,220	\$ 28,367,166	\$ 27,615,735	\$ 27,615,735	\$ 27,615,735	\$ 27,615,735	\$ 27,615,735	\$ 27,615,735
Current Portion of SGMC Tower Debt	-	-	-	-	-	-	-	-	-
Financing lease obligations	-	-	\$ 6,271,690	\$ 1,884,693	\$ 1,884,693	\$ 1,884,693	\$ 1,884,693	\$ 1,884,693	\$ 1,884,693
Operating lease obligations	-	-	\$ 60,968,875	\$ 60,968,875	\$ 60,968,875	\$ 60,968,875	\$ 60,968,875	\$ 60,968,875	\$ 60,968,875
<b>Total Current Liabilities</b>	<b>\$ 178,775,825</b>	<b>\$ 179,419,950</b>	<b>\$ 299,193,552</b>	<b>\$ 319,499,555</b>	<b>\$ 312,896,862</b>	<b>\$ 316,044,690</b>	<b>\$ 319,218,705</b>	<b>\$ 322,178,451</b>	<b>\$ 326,203,890</b>
<b>Other Liabilities</b>									
Other LT Liabilities	13,055,646	\$ 10,760,302	\$ 13,788,884	\$ 9,109,506	\$ 9,109,506	\$ 9,109,506	\$ 9,109,506	\$ 9,109,506	\$ 9,109,506
Change YOY		(2,295,344.27)	3,028,582.27	(4,679,378.20)	-	-	-	-	-
Deferred Comp Liabilities	\$ -	\$ -	\$ -	\$ 6,003,689	\$ 6,003,689	\$ 6,003,689	\$ 6,003,689	\$ 6,003,689	\$ 6,003,689
Change YOY									
Construction Payable	14,828,539	\$ 33,038,715	\$ 10,894,297	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Other Liabilities</b>	<b>\$ 27,884,185</b>	<b>\$ 43,799,017</b>	<b>\$ 24,683,181</b>	<b>\$ 15,113,194</b>	<b>\$ 15,113,194</b>	<b>\$ 15,113,194</b>	<b>\$ 15,113,194</b>	<b>\$ 15,113,194</b>	<b>\$ 15,113,194</b>
<b>Long-Term Debt</b>	<b>\$ 584,530,741</b>	<b>\$ 578,092,052</b>	<b>\$ 562,696,389</b>	<b>\$ 557,394,645</b>	<b>\$ 557,394,645</b>	<b>\$ 711,774,645</b>	<b>\$ 711,774,645</b>	<b>\$ 711,774,645</b>	<b>\$ 711,774,645</b>
Long-Term Portion of Existing Debt	584,530,741	\$ 578,092,052	\$ 562,696,389	\$ 557,394,645	\$ 557,394,645	\$ 557,394,645	\$ 557,394,645	\$ 557,394,645	\$ 557,394,645
Long-Term Portion of SGMC Tower Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,380,000	\$ 154,380,000	\$ 154,380,000	\$ 154,380,000
<b>Net Assets</b>									
Fund Balance (Unrestricted)	414,743,092	\$ 439,571,362	\$ 471,275,984	\$ 479,993,408	\$ 502,570,531	\$ 523,166,884	\$ 545,770,973	\$ 571,993,986	\$ 589,697,358
Temporarily Restricted Net Assets	1,725,350	\$ 4,809,438	\$ 5,618,042	\$ 1,603,914	\$ 1,603,914	\$ 1,603,914	\$ 1,603,914	\$ 1,603,914	\$ 1,603,914
Permanently Restricted Net Assets	341,421	\$ 439,273	\$ 341,421	\$ 341,421	\$ 341,421	\$ 341,421	\$ 341,421	\$ 341,421	\$ 341,421
<b>Total Net Assets</b>	<b>\$ 416,809,863</b>	<b>\$ 444,820,073</b>	<b>\$ 477,235,447</b>	<b>\$ 481,938,743</b>	<b>\$ 504,515,866</b>	<b>\$ 525,112,220</b>	<b>\$ 547,716,308</b>	<b>\$ 573,939,321</b>	<b>\$ 591,642,693</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 1,208,000,614</b>	<b>\$ 1,246,131,092</b>	<b>\$ 1,363,808,569</b>	<b>\$ 1,373,946,136</b>	<b>\$ 1,389,920,567</b>	<b>\$ 1,568,044,749</b>	<b>\$ 1,593,822,852</b>	<b>\$ 1,623,005,611</b>	<b>\$ 1,644,734,423</b>
	\$ -	\$ (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

#### Statistics and Ratios

	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Total Liabilities to Unrestricted Net Assets</b>									
Total Current Liabilities	\$ 178,775,825	\$ 179,419,950	\$ 299,193,552	\$ 319,499,555	\$ 312,896,862	\$ 316,044,690	\$ 319,218,705	\$ 322,178,451	\$ 326,203,890
Total Long-Term Obligations, Noncurrent Portion	\$ 612,414,926	\$ 621,891,069	\$ 587,379,570	\$ 572,507,839	\$ 572,507,839	\$ 726,887,839	\$ 726,887,839	\$ 726,887,839	\$ 726,887,839
Total Liabilities	\$ 791,190,751	\$ 801,311,019	\$ 886,573,122	\$ 892,007,393	\$ 885,404,701	\$ 1,042,932,529	\$ 1,046,106,544	\$ 1,049,066,290	\$ 1,053,091,729
Unrestricted Net Assets	\$ 414,743,092	\$ 439,571,362	\$ 471,275,984	\$ 479,993,408	\$ 502,570,531	\$ 523,166,884	\$ 545,770,973	\$ 571,993,986	\$ 589,697,358

Ratio	1.91	1.82	1.88	1.86	1.76	1.99	1.92	1.83	1.79
Requirement: ratio not > 2.50									
2004A and B Letters of Credit , Section 9.1(o)									
<b>Days Cash on Hand</b>									
Unrestricted Cash and Investments	\$ 235,407,975	\$ 237,743,153	\$ 252,507,424	\$ 257,967,338	\$ 274,248,493	\$ 294,478,438	\$ 316,308,553	\$ 342,530,018	\$ 365,879,583
Total Operating Expenses	\$ 786,559,343	\$ 801,625,464	\$ 844,360,265	\$ 928,020,214	\$ 942,148,232	\$ 960,204,239	\$ 978,457,404	\$ 1,006,554,832	\$ 1,030,148,050
less: Depreciation and Amortization	\$ (36,463,353)	\$ (38,120,194)	\$ (41,582,280)	\$ (47,299,176)	\$ (47,622,930)	\$ (47,953,158)	\$ (48,289,992)	\$ (54,364,042)	\$ (55,235,436)
Adjusted Operating Expenses	\$ 750,095,990	\$ 763,505,269	\$ 802,777,985	\$ 880,721,038	\$ 894,525,302	\$ 912,251,080	\$ 930,167,412	\$ 952,190,790	\$ 974,912,614
Days in period	365	365	365	366	365	365	365	366	365
Daily expense	\$ 2,055,058	\$ 2,091,795	\$ 2,199,392	\$ 2,406,342	\$ 2,450,754	\$ 2,499,318	\$ 2,548,404	\$ 2,601,614	\$ 2,670,993
Days cash on hand	114.55	113.66	114.81	107.20	111.90	117.82	124.12	131.66	136.98
Requirement is 70 days									
2005 A and B Letters of Credit, Section 9.1(m)									
<b>Debt Service Coverage Ratio</b>									
Excess of Revenue over Expenses	\$ 25,822,318	\$ 21,353,561	\$ 37,834,658	\$ 22,577,124	\$ 20,596,353	\$ 22,604,088	\$ 26,223,014	\$ 17,703,372	\$ 17,148,590
Add: Depreciation & Amortization	\$ 36,463,353	\$ 38,120,194	\$ 41,582,280	\$ 47,299,176	\$ 47,622,930	\$ 47,953,158	\$ 48,289,992	\$ 54,364,042	\$ 55,235,436
Interest	\$ 10,353,452	\$ 11,951,282	\$ 16,586,180	\$ 26,346,442	\$ 26,467,780	\$ 26,591,545	\$ 26,717,785	\$ 33,793,650	\$ 33,924,990
Income Available for Debt Service	\$ 72,639,123	\$ 71,425,036	\$ 96,003,118	\$ 96,222,742	\$ 94,687,063	\$ 97,148,791	\$ 101,230,790	\$ 105,861,064	\$ 106,309,016
Add back loss on extinguishment									
Adjusted NIADS	\$ 72,639,123	\$ 71,425,036	\$ 96,003,118	\$ 96,222,742	\$ 94,687,063	\$ 97,148,791	\$ 101,230,790	\$ 105,861,064	\$ 106,309,016
Maximum Annual Debt Service	\$ 40,503,556	\$ 40,735,233	\$ 40,701,719	\$ 40,429,000	\$ 39,270,896	\$ 45,708,997	\$ 45,708,997	\$ 45,708,997	\$ 45,708,997
Maximum Annual Debt Service Coverage Ratio	1.79	1.75	2.36	2.38	2.41	2.13	2.21	2.32	2.33
Requirement is not less than 1.25									

**Key Financial Indicators**

	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Income	\$ 19,612,951	\$ 18,924,546	\$ 18,145,625	\$ 19,055,746	\$ 14,117,744	\$ 16,042,440	\$ 19,576,249	\$ 10,969,364	\$ 10,325,158
Excess of Revenue Over Expenses	\$ 25,822,318	\$ 21,353,561	\$ 37,834,656	\$ 22,577,124	\$ 20,596,353	\$ 22,604,088	\$ 26,223,014	\$ 17,703,372	\$ 17,148,590
Cash	\$ 235,407,975	\$ 237,743,153	\$ 252,507,424	\$ 257,967,338	\$ 274,248,493	\$ 294,478,438	\$ 316,308,553	\$ 342,530,018	\$ 365,879,583
Long Term Debt	\$ 594,278,035	\$ 587,867,718	\$ 572,612,619	\$ 567,310,874	\$ 567,310,874	\$ 721,690,874	\$ 721,690,874	\$ 721,690,874	\$ 721,690,874
Net Assets	\$ 414,743,092	\$ 439,571,362	\$ 471,275,985	\$ 479,993,409	\$ 502,570,531	\$ 523,166,884	\$ 545,770,973	\$ 571,993,986	\$ 589,697,358
Maximum Annual Debt Service	\$ 40,503,556	\$ 40,735,233	\$ 40,701,719	\$ 40,429,000	\$ 39,270,896	\$ 45,708,997	\$ 45,708,997	\$ 45,708,997	\$ 45,708,997
Debt Service Coverage	1.79	1.75	2.36	2.38	2.41	2.13	2.21	2.32	2.33
Days Cash on Hand	114.55	113.66	114.81	107.20	111.90	117.82	124.12	131.66	136.98
Debt to Capitalization	58.9%	57.2%	54.9%	54.2%	53.0%	58.0%	56.9%	55.8%	55.0%
Total Liabilities to Unrestricted Net Assets	1.91	1.82	1.88	1.86	1.76	1.99	1.92	1.83	1.79
EBITDA	\$ 66,429,756	\$ 68,996,022	\$ 76,314,087	\$ 92,701,364	\$ 88,208,454	\$ 90,587,143	\$ 94,584,026	\$ 99,127,056	\$ 99,485,584
EBITDA Margin	8.24%	8.41%	8.85%	9.79%	9.22%	9.28%	9.48%	9.74%	9.56%

## Exhibit 43

<b>Table Number</b>	<b>Table Title</b>	<b>Instructions</b>
<b>Table A</b>	<b>Physical Bed Capacity Before and After Project</b>	All applicants whose project impacts any nursing unit, regardless of project type or scope, must complete Table A.
<b>Table B</b>	<b>Departmental Gross Square Feet</b>	All applicants, regardless of project type or scope, must complete Table B for all departments and functional areas affected by the proposed project.
<b>Table C</b>	<b>Construction Characteristics</b>	All applicants proposing new construction or renovation must complete Table C.
<b>Table D</b>	<b>Site and Offsite Costs Included and Excluded in Marshall Valuation Costs</b>	All applicants proposing new construction or renovation must complete Table D.
<b>Table E</b>	<b>Project Budget</b>	All applicants, regardless of project type or scope, must complete Table E.
<b>Table F</b>	<b>Statistical Projections - Entire Facility</b>	Existing facility applicants must complete Table F. All applicants who complete this table must also complete Tables G and H.
<b>Table G</b>	<b>Revenues &amp; Expenses, Uninflated - Entire Facility</b>	Existing facility applicants must complete Table G. The projected revenues and expenses in Table G should be consistent with the volume projections in Table F.
<b>Table H</b>	<b>Revenues &amp; Expenses, Inflated - Entire Facility</b>	Existing facility applicants must complete Table H. The projected revenues and expenses in H should be consistent with the projections in Tables F and G.
<b>Table I</b>	<b>Statistical Projections - New Facility or Service</b>	Applicants who propose to establish a new facility, existing facility applicants who propose a new service, and applicants who are directed by MHCC staff must complete Table I. All applicants who complete this table must also complete Tables J and K.
<b>Table J</b>	<b>Revenues &amp; Expenses, Uninflated - New Facility or Service</b>	Applicants who propose to establish a new facility and existing facility applicants who propose a new service and any other applicant who completes a Table I must complete Table J. The projected revenues and expenses in Table J should be consistent with the volume projections in Table I.
<b>Table K</b>	<b>Revenues &amp; Expenses, Inflated - New Facility or Service</b>	Applicants who propose to establish a new facility and existing facility applicants who propose a new service and any other applicant that completes a Table I must complete Table K. The projected revenues and expenses in Table K should be consistent with the projections in Tables I and J.
<b>Table L</b>	<b>Work Force Information</b>	All applicants, regardless of project type or scope, must complete Table L.

**TABLE F. STATISTICAL PROJECTIONS - ENTIRE FACILITY**

*INSTRUCTION: Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.*

Indicate CY	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.							
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
<b>1. DISCHARGES</b>											
a. General Medical/Surgical*	10,381	10,007	9,516	10,037	10,129	10,217	10,304	10,388	10,468	10,552	10,636
b. ICU/CCU	436	401	404	408	412	415	419	422	426	429	432
<b>Total MSGA</b>	<b>10,817</b>	<b>10,408</b>	<b>9,920</b>	<b>10,445</b>	<b>10,541</b>	<b>10,633</b>	<b>10,723</b>	<b>10,810</b>	<b>10,894</b>	<b>10,981</b>	<b>11,069</b>
c. Pediatric	594	579	402	523	527	532	537	541	545	549	554
d. Obstetric	4,644	4,509	4,522	4,567	4,609	4,649	4,689	4,727	4,764	4,802	4,840
e. Acute Psychiatric	3,501	3,303	3,358	3,492	3,524	3,555	3,585	3,614	3,642	3,672	3,701
<b>Total Acute</b>	<b>19,556</b>	<b>18,799</b>	<b>18,202</b>	<b>19,027</b>	<b>19,202</b>	<b>19,369</b>	<b>19,533</b>	<b>19,692</b>	<b>19,845</b>	<b>20,004</b>	<b>20,164</b>
f. Rehabilitation											
g. Comprehensive Care											
h. Other - Newborn and NICU	4,523	4,402	4,436	4,480	4,522	4,561	4,600	4,637	4,673	4,710	4,748
<b>TOTAL DISCHARGES</b>	<b>24,079</b>	<b>23,201</b>	<b>22,638</b>	<b>23,507</b>	<b>23,723</b>	<b>23,930</b>	<b>24,133</b>	<b>24,329</b>	<b>24,518</b>	<b>24,714</b>	<b>24,912</b>
<b>2. PATIENT DAYS</b>											
a. General Medical/Surgical*	46,038	44,959	44,224	44,187	44,523	44,842	45,143	45,426	45,692	45,944	46,178
b. ICU/CCU	5,517	5,935	6,270	6,143	6,075	6,006	5,935	5,864	5,791	5,718	5,643
<b>Total MSGA</b>	<b>51,555</b>	<b>50,894</b>	<b>50,494</b>	<b>50,330</b>	<b>50,598</b>	<b>50,847</b>	<b>51,078</b>	<b>51,290</b>	<b>51,484</b>	<b>51,661</b>	<b>51,821</b>
c. Pediatric	1,320	1,290	988	1,284	1,296	1,308	1,319	1,329	1,340	1,350	1,359
d. Obstetric	11,283	11,239	10,376	10,480	10,576	10,668	10,759	10,846	10,930	11,012	11,090
e. Acute Psychiatric	32,903	32,638	33,138	33,947	33,745	33,529	33,305	33,072	32,829	32,579	32,322
<b>Total Acute</b>	<b>97,061</b>	<b>96,061</b>	<b>94,996</b>	<b>96,041</b>	<b>96,215</b>	<b>96,352</b>	<b>96,461</b>	<b>96,537</b>	<b>96,582</b>	<b>96,603</b>	<b>96,593</b>
f. Rehabilitation				0	0	0	0	0	0	0	0
g. Comprehensive Care				0	0	0	0	0	0	0	0
h. Other - Newborn and NICU	16,615	16,136	16,576	16,742	16,896	17,043	17,187	17,327	17,461	17,592	17,717
<b>TOTAL PATIENT DAYS</b>	<b>113,676</b>	<b>112,197</b>	<b>111,572</b>	<b>112,783</b>	<b>113,110</b>	<b>113,395</b>	<b>113,648</b>	<b>113,864</b>	<b>114,044</b>	<b>114,195</b>	<b>114,310</b>

**TABLE F. STATISTICAL PROJECTIONS - ENTIRE FACILITY**

*INSTRUCTION: Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.*

Indicate CY	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.								
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	
<b>3. AVERAGE LENGTH OF STAY (patient days divided by discharges)</b>												
a. General Medical/Surgical*	4.4	4.5	4.6	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.3
b. ICU/CCU	12.7	14.8	15.5	15.1	14.8	14.5	14.2	13.9	13.6	13.3	13.3	13.1
<b>Total MSGA</b>	<b>4.8</b>	<b>4.9</b>	<b>5.1</b>	<b>4.8</b>	<b>4.8</b>	<b>4.8</b>	<b>4.8</b>	<b>4.7</b>	<b>4.7</b>	<b>4.7</b>	<b>4.7</b>	<b>4.7</b>
c. Pediatric	2.2	2.2	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
d. Obstetric	2.4	2.5	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
e. Acute Psychiatric	9.4	9.9	9.9	9.7	9.6	9.4	9.3	9.2	9.0	8.9	8.9	8.7
<b>Total Acute</b>	<b>5.0</b>	<b>5.1</b>	<b>5.2</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>4.9</b>	<b>4.9</b>	<b>4.9</b>	<b>4.8</b>	<b>4.8</b>	<b>4.8</b>
f. Rehabilitation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
g. Comprehensive Care	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
h. Other - Newborn and NICU	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7
<b>TOTAL AVERAGE LENGTH OF STAY</b>	<b>4.7</b>	<b>4.8</b>	<b>4.9</b>	<b>4.8</b>	<b>4.8</b>	<b>4.7</b>	<b>4.7</b>	<b>4.7</b>	<b>4.7</b>	<b>4.6</b>	<b>4.6</b>	<b>4.6</b>
<b>4. NUMBER OF LICENSED BEDS</b>												
a. General Medical/Surgical*	157	165	134	134	134	134	134	134	134	134	134	134
b. ICU/CCU	28	25	22	22	22	22	22	22	22	22	22	22
<b>Total MSGA</b>	<b>185</b>	<b>190</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>
c. Pediatric	25	12	10	10	10	10	10	10	10	10	10	10
d. Obstetric	56	46	46	46	46	46	46	46	46	46	46	46
e. Acute Psychiatric	117	133	133	133	133	133	133	133	133	133	133	133
<b>Total Acute</b>	<b>383</b>	<b>381</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>
f. Rehabilitation												
g. Comprehensive Care												
h. Other - Newborn and NICU	79	79	79	79	79	79	79	79	79	79	79	79
<b>TOTAL LICENSED BEDS</b>	<b>462</b>	<b>460</b>	<b>424</b>	<b>424</b>	<b>424</b>	<b>424</b>	<b>424</b>	<b>424</b>	<b>424</b>	<b>424</b>	<b>424</b>	<b>424</b>

**TABLE F. STATISTICAL PROJECTIONS - ENTIRE FACILITY**

*INSTRUCTION: Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.*

Indicate CY	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.							
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
<b>5. OCCUPANCY PERCENTAGE</b> *IMPORTANT NOTE: Leap year formulas should be changed by applicant to reflect 366 days per year.											
a. General Medical/Surgical*	80.3%	74.7%	90.2%	90.3%	91.0%	91.7%	92.0%	92.9%	93.4%	93.9%	94.2%
b. ICU/CCU	54.0%	65.0%	77.9%	76.5%	75.7%	74.8%	73.7%	73.0%	72.1%	71.2%	70.1%
<b>Total MSGA</b>	<b>76.3%</b>	<b>73.4%</b>	<b>88.4%</b>	<b>88.4%</b>	<b>88.9%</b>	<b>89.3%</b>	<b>89.5%</b>	<b>90.1%</b>	<b>90.4%</b>	<b>90.7%</b>	<b>90.8%</b>
c. Pediatric	14.5%	29.5%	27.0%	35.2%	35.5%	35.8%	36.0%	36.4%	36.7%	37.0%	37.1%
d. Obstetric	55.2%	66.9%	61.6%	62.4%	63.0%	63.5%	63.9%	64.6%	65.1%	65.6%	65.9%
e. Acute Psychiatric	77.0%	67.2%	68.1%	69.9%	69.5%	69.1%	68.4%	68.1%	67.6%	67.1%	66.4%
<b>Total Acute</b>	<b>69.4%</b>	<b>69.1%</b>	<b>75.2%</b>	<b>76.3%</b>	<b>76.4%</b>	<b>76.5%</b>	<b>76.4%</b>	<b>76.7%</b>	<b>76.7%</b>	<b>76.7%</b>	<b>76.5%</b>
f. Rehabilitation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
g. Comprehensive Care	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
h. Other (Specify/add rows of needed)	57.6%	56.0%	57.3%	58.1%	58.6%	59.1%	59.4%	60.1%	60.6%	61.0%	61.3%
<b>TOTAL OCCUPANCY %</b>	<b>67.4%</b>	<b>66.8%</b>	<b>71.9%</b>	<b>72.9%</b>	<b>73.1%</b>	<b>73.3%</b>	<b>73.2%</b>	<b>73.6%</b>	<b>73.7%</b>	<b>73.8%</b>	<b>73.7%</b>
<b>6. OUTPATIENT VISITS</b>											
a. Emergency Department	55,021	57,368	40,648	56,907	57,362	57,821	58,284	58,750	59,220	59,694	60,172
a. Emergency Department - Inpatient visits converted to Admissions	10,497	11,684	9,090	11,628	11,721	11,815	11,910	12,005	12,101	12,198	12,295
<b>Total ED Visits</b>	<b>65,518</b>	<b>69,052</b>	<b>49,738</b>	<b>68,535</b>	<b>69,084</b>	<b>69,636</b>	<b>70,193</b>	<b>70,755</b>	<b>71,321</b>	<b>71,892</b>	<b>72,467</b>
b. Same-day Surgery	9,844	9,863	5,722	9,899	9,978	10,058	10,139	10,220	10,301	10,384	10,467
c. Laboratory	6,255	5,691	4,076	5,625	5,670	5,715	5,761	5,807	5,854	5,900	5,948
d. Imaging	2,753	2,009	1,078	2,048	2,065	2,081	2,098	2,115	2,131	2,149	2,166
e. Other - Germantown Emergency Center	24,211	23,418	16,920	23,688	23,878	24,069	24,261	24,455	24,651	24,848	25,047
e. Other - Partial Hospitalization Program	5,390	4,549	2,976	4,762	4,800	4,838	4,877	4,916	4,955	4,995	5,035
e. Other - Clinic	31,751	41,332	23,486	39,926	40,246	40,568	40,892	41,219	41,549	41,881	42,216
<b>TOTAL OUTPATIENT VISITS</b>	<b>211,240</b>	<b>224,966</b>	<b>153,734</b>	<b>223,019</b>	<b>224,803</b>	<b>226,601</b>	<b>228,414</b>	<b>230,241</b>	<b>232,083</b>	<b>233,940</b>	<b>235,812</b>
<b>7. Outpatient OBSERVATIONS**</b>											

**TABLE F. STATISTICAL PROJECTIONS - ENTIRE FACILITY**

*INSTRUCTION: Complete this table for the entire facility, including the proposed project. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). For sections 4 & 5, the number of beds and occupancy percentage should be reported on the basis of licensed beds. In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.*

Indicate CY	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Include additional years, if needed in order to be consistent with Tables G and H.							
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
a. Number of Patients	7,406	7,626	5,476	7,694	7,755	7,817	7,880	7,943	8,006	8,071	8,135
b. Hours	198,260	210,249	169,070	216,685	218,418	220,165	221,927	223,702	225,492	227,296	229,114

\* Include beds dedicated to gynecology and addictions, if separate for acute psychiatric unit.

\*\* Services included in the reporting of the "Observation Center", direct expenses incurred in providing bedside care to observation patients; furnished by the hospital on the hospital's premises, including use of a bed and periodic monitoring by the hospital's nursing or other staff, in order to determine the need for a possible admission to the hospitals as an inpatient. Such services must be ordered and documented in writing, given by a medical practitioner; may or may not be provided in a distinct area of the hospital.

(1.) Patients with both an ED and Observation visit are included in both counts.

**TABLE G. REVENUES & EXPENSES, UNINFLATED - ENTIRE FACILITY**

**INSTRUCTION:** Complete this table for the entire facility, including the proposed project. Table G should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table F and with the costs of Manpower listed in Table L. Manpower. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Specify the sources of non-operating income.

	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.								
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	
<b>1. REVENUE</b>												
a. Inpatient Services	\$ 276,338,352	\$ 285,811,383	\$ 282,671,660	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312
b. Outpatient Services	\$ 216,294,577	\$ 221,454,634	\$ 215,643,711	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241
2020 COVID Stimulus Funds	\$ -	\$ -	\$ 29,961,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Gross Patient Service Revenues</b>	<b>\$ 492,632,928</b>	<b>\$ 507,266,017</b>	<b>\$ 528,276,618</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>
c. Allowance For Bad Debt	\$ 20,131,873	\$ 18,167,576	\$ 18,683,279	\$ 18,815,036	\$ 18,815,036	\$ 18,815,036	\$ 18,815,036	\$ 18,815,036	\$ 18,815,036	\$ 18,815,036	\$ 18,815,036	\$ 18,815,036
d. Contractual Allowance	\$ 61,288,049	\$ 60,553,149	\$ 62,096,039	\$ 62,553,234	\$ 62,553,234	\$ 62,553,234	\$ 62,553,234	\$ 62,553,234	\$ 62,553,234	\$ 62,553,234	\$ 62,553,234	\$ 62,553,234
e. Charity Care	\$ 5,659,157	\$ 9,599,449	\$ 10,016,173	\$ 10,095,871	\$ 10,095,871	\$ 10,095,871	\$ 10,095,871	\$ 10,095,871	\$ 10,095,871	\$ 10,095,871	\$ 10,095,871	\$ 10,095,871
<b>Net Patient Services Revenue</b>	<b>\$ 405,553,850</b>	<b>\$ 418,945,842</b>	<b>\$ 437,481,128</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>
f. Other Operating Revenues (Specify/add rows if needed)	\$ 27,567,441	\$ 27,956,963	\$ 30,064,718	\$ 26,757,599	\$ 26,757,599	\$ 26,757,599	\$ 23,957,599	\$ 23,957,599	\$ 23,957,599	\$ 23,957,599	\$ 23,957,599	\$ 23,957,599
<b>NET OPERATING REVENUE</b>	<b>\$ 433,121,290</b>	<b>\$ 446,902,805</b>	<b>\$ 467,545,846</b>	<b>\$ 468,207,011</b>	<b>\$ 468,207,011</b>	<b>\$ 468,207,011</b>	<b>\$ 465,407,011</b>	<b>\$ 465,407,011</b>	<b>\$ 465,407,011</b>	<b>\$ 465,407,011</b>	<b>\$ 465,407,011</b>	<b>\$ 465,407,011</b>
<b>2. EXPENSES</b>												
a. Salaries & Wages (including benefits)	\$ 188,017,064	\$ 193,009,561	\$ 198,572,363	\$ 204,482,281	\$ 205,076,638	\$ 205,592,352	\$ 207,912,386	\$ 210,164,782	\$ 210,490,569	\$ 210,764,786	\$ 210,407,536	\$ 210,407,536
b. Contractual Services	\$ 7,820,499	\$ 9,951,244	\$ 17,508,312	\$ 12,387,131	\$ 11,148,418	\$ 9,810,608	\$ 9,320,077	\$ 8,714,272	\$ 8,017,130	\$ 7,215,417	\$ 6,349,567	\$ 6,349,567
c. Interest on Current Debt	\$ 6,317,210	\$ 6,206,678	\$ 6,066,904	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573
d. Interest on Project Debt			\$ -	\$ -	\$ -	\$ -	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100
e. Current Depreciation	\$ 23,657,629	\$ 22,964,509	\$ 21,817,427	\$ 22,035,601	\$ 22,035,601	\$ 22,035,601	\$ 22,035,601	\$ 22,035,601	\$ 22,035,601	\$ 22,035,601	\$ 22,035,601	\$ 22,035,601
f. Project Depreciation			\$ -	\$ -	\$ -	\$ -	\$ 5,730,480	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433
g. Current Amortization												
h. Project Amortization												
i. Supplies	\$ 54,771,090	\$ 56,114,400	\$ 63,900,817	\$ 60,492,417	\$ 60,668,247	\$ 60,820,812	\$ 60,956,646	\$ 61,072,470	\$ 61,168,849	\$ 61,249,971	\$ 61,311,803	\$ 61,311,803
j. Other Expenses - General & Administrative	\$ 9,570,164	\$ 11,063,980	\$ 9,836,615	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473
j. Other Expenses - Professional Fees	\$ 13,463,556	\$ 13,175,566	\$ 11,356,931	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347
j. Other Expenses - Purchased Services	\$ 29,456,617	\$ 30,408,254	\$ 30,206,310	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889
j. Other Expenses - Building & Maintenance	\$ 25,591,807	\$ 26,407,365	\$ 28,870,964	\$ 28,582,254	\$ 28,582,254	\$ 28,582,254	\$ 23,950,254	\$ 25,650,254	\$ 25,650,254	\$ 25,650,254	\$ 25,650,254	\$ 25,650,254
j. Other Expenses	\$ 53,927,675	\$ 54,561,653	\$ 55,154,770	\$ 55,706,318	\$ 55,706,318	\$ 55,706,318	\$ 55,706,318	\$ 55,706,318	\$ 55,706,318	\$ 55,706,318	\$ 55,706,318	\$ 55,706,318
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 412,593,313</b>	<b>\$ 423,863,210</b>	<b>\$ 443,291,413</b>	<b>\$ 443,405,285</b>	<b>\$ 442,936,759</b>	<b>\$ 442,267,227</b>	<b>\$ 452,278,144</b>	<b>\$ 456,261,512</b>	<b>\$ 455,986,537</b>	<b>\$ 455,540,162</b>	<b>\$ 454,378,894</b>	<b>\$ 454,378,894</b>

**TABLE G. REVENUES & EXPENSES, UNINFLATED - ENTIRE FACILITY**

**INSTRUCTION:** Complete this table for the entire facility, including the proposed project. Table G should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table F and with the costs of Manpower listed in Table L. Manpower. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Specify the sources of non-operating income.

Indicate CY	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.							
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
<b>3. INCOME</b>											
a. Income From Operation	\$ 20,527,978	\$ 23,039,594	\$ 24,254,433	\$ 24,801,726	\$ 25,270,252	\$ 25,939,784	\$ 13,128,866	\$ 9,145,499	\$ 9,420,474	\$ 9,866,849	\$ 11,028,116
b. Non-Operating Income	\$ 775,313	\$ 6,301,524	\$ 1,566,002	\$ 3,321,587	\$ 3,321,587	\$ 3,321,587	\$ 3,321,587	\$ 3,321,587	\$ 3,321,587	\$ 3,321,587	\$ 3,321,587
<b>SUBTOTAL</b>	<b>\$ 21,303,291</b>	<b>\$ 29,341,118</b>	<b>\$ 25,820,435</b>	<b>\$ 28,123,313</b>	<b>\$ 28,591,839</b>	<b>\$ 29,261,371</b>	<b>\$ 16,450,453</b>	<b>\$ 12,467,086</b>	<b>\$ 12,742,061</b>	<b>\$ 13,188,436</b>	<b>\$ 14,349,703</b>
c. Income Taxes											
<b>NET INCOME (LOSS)</b>	<b>\$ 21,303,291</b>	<b>\$ 29,341,118</b>	<b>\$ 25,820,435</b>	<b>\$ 28,123,313</b>	<b>\$ 28,591,839</b>	<b>\$ 29,261,371</b>	<b>\$ 16,450,453</b>	<b>\$ 12,467,086</b>	<b>\$ 12,742,061</b>	<b>\$ 13,188,436</b>	<b>\$ 14,349,703</b>
<b>4. PATIENT MIX</b>											
<b>a. Percent of Total Revenue</b>											
1) Medicare	34.4%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%
2) Medicaid	19.3%	19.8%	20.2%	20.2%	20.2%	20.2%	20.2%	20.2%	20.2%	20.2%	20.2%
3) Blue Cross	20.5%	19.9%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
4) Commercial Insurance	20.8%	20.8%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%
5) Self-pay	4.0%	3.9%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%
6) Other	1.0%	1.0%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>b. Percent of Equivalent Inpatient Days</b>											
1) Medicare	33.1%	33.8%	33.8%	33.8%	33.8%	33.8%	33.8%	33.8%	33.8%	33.8%	33.8%
2) Medicaid	28.5%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%
3) Blue Cross	17.8%	16.7%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
4) Commercial Insurance	18.3%	19.1%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%
5) Self-pay	2.1%	2.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%
6) Other	0.2%	0.2%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Shady Grove Medical Center Assumptions & Drivers  
Current State - No Inflation (Table G1)

	Historical		Projection								
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
IP Hospital Revenue	276,338,352	285,811,383	282,671,660	303,055,312	303,055,312	303,055,312	303,055,312	303,055,312	303,055,312	303,055,312	303,055,312
OP Hospital + GEC Revenue	192,329,870	199,698,415	197,120,936	211,335,465	211,335,465	211,335,465	211,335,465	211,335,465	211,335,465	211,335,465	211,335,465
<b>SGMC &amp; GEC</b>											
Gross GBR			475,472,635	509,931,215	509,931,215	509,931,215	509,931,215	509,931,215	509,931,215	509,931,215	509,931,215
Stimulus Funds			29,961,247	-	-	-	-	-	-	-	-
UCC Payments/Receipts			4,319,961	4,459,562	4,459,562	4,459,562	4,459,562	4,459,562	4,459,562	4,459,562	4,459,562
<b>Total Gross</b>			<b>509,753,843</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>
<b>Deductions:</b>											
Contractual Allowances			35,234,205	35,539,589	35,539,589	35,539,589	35,539,589	35,539,589	35,539,589	35,539,589	35,539,589
HSCRC Assessments			16,056,567	16,208,377	16,208,377	16,208,377	16,208,377	16,208,377	16,208,377	16,208,377	16,208,377
Bad Debt			18,097,550	18,229,307	18,229,307	18,229,307	18,229,307	18,229,307	18,229,307	18,229,307	18,229,307
Charity Care			10,013,946	10,093,644	10,093,644	10,093,644	10,093,644	10,093,644	10,093,644	10,093,644	10,093,644
<b>Net Patient Service Revenue</b>			<b>430,351,575</b>	<b>434,319,859</b>	<b>434,319,859</b>	<b>434,319,859</b>	<b>434,319,859</b>	<b>434,319,859</b>	<b>434,319,859</b>	<b>434,319,859</b>	<b>434,319,859</b>
<b>Other Revenue</b>											
Inflation	115	1,102,253	1,272,103	1,404,686	1,404,686	1,404,686	1,404,686	1,404,686	1,404,686	1,404,686	1,404,686
Contractual Allowances			22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%
Charity			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bad Debt			4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Net Revenue			1,016,993	1,016,993	1,016,993	1,016,993	1,016,993	1,016,993	1,016,993	1,016,993	1,016,993
Inflation	131	6,345,164	6,412,277	6,119,669	6,119,669	6,119,669	6,119,669	6,119,669	6,119,669	6,119,669	6,119,669
Contractual Allowances			69.0%	69.0%	69.0%	69.0%	69.0%	69.0%	69.0%	69.0%	69.0%
Charity			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bad Debt			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net Revenue			1,898,933	1,898,933	1,898,933	1,898,933	1,898,933	1,898,933	1,898,933	1,898,933	1,898,933
Inflation	401	6,665,743	5,898,712	3,839,532	3,839,532	3,839,532	3,839,532	3,839,532	3,839,532	3,839,532	3,839,532
Contractual Allowances			69.6%	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%
Charity			0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Bad Debt			3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%
Net Revenue			1,045,389	1,045,389	1,045,389	1,045,389	1,045,389	1,045,389	1,045,389	1,045,389	1,045,389
Inflation	405	9,851,457	8,173,127	7,158,888	7,158,888	7,158,888	7,158,888	7,158,888	7,158,888	7,158,888	7,158,888
Contractual Allowances			50.2%	50.2%	50.2%	50.2%	50.2%	50.2%	50.2%	50.2%	50.2%
Charity			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bad Debt			5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
Net Revenue			3,168,238	3,168,238	3,168,238	3,168,238	3,168,238	3,168,238	3,168,238	3,168,238	3,168,238
Total Contractuals			46,039,472	46,344,856	46,344,856	46,344,856	46,344,856	46,344,856	46,344,856	46,344,856	46,344,856
Total Charity			10,016,173	10,095,871	10,095,871	10,095,871	10,095,871	10,095,871	10,095,871	10,095,871	10,095,871
Total Bad Debt			18,683,279	18,815,036	18,815,036	18,815,036	18,815,036	18,815,036	18,815,036	18,815,036	18,815,036
Total Passthroughs			16,056,567	16,208,377	16,208,377	16,208,377	16,208,377	16,208,377	16,208,377	16,208,377	16,208,377
<b>Net Patient Service Revenue</b>			<b>437,481,128</b>	<b>441,449,412</b>	<b>441,449,412</b>	<b>441,449,412</b>	<b>441,449,412</b>	<b>441,449,412</b>	<b>441,449,412</b>	<b>441,449,412</b>	<b>441,449,412</b>
EIPA Factor ("Equivalent IP Admission")		1.6960	1.6987	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973
IP Revenue per Admission	\$	11,476	\$ 12,319	\$ 12,487	\$ 12,892	\$ 12,775	\$ 12,664	\$ 12,558	\$ 12,457	\$ 12,361	\$ 12,265
OP Revenue per EIPD ("Equivalent IP Day")	\$	2,430.93	\$ 2,547.41	\$ 2,533.54	\$ 2,687.08	\$ 2,679.29	\$ 2,672.57	\$ 2,666.61	\$ 2,661.56	\$ 2,657.36	\$ 2,653.84
Physician Revenue per EIPD											
Other Operating Revenue	\$	27,567,441	\$ 27,956,963	\$ 30,064,718	\$ 26,757,599	\$ 26,757,599	\$ 26,757,599	\$ 23,957,599	\$ 23,957,599	\$ 23,957,599	\$ 23,957,599
Other Operating Revenue Growth					-11.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Operating Revenue Growth \$							(2,800,000)				
Non-Operating Revenue			1,566,002	3,321,587	3,321,587	3,321,587	3,321,587	3,321,587	3,321,587	3,321,587	3,321,587
Inflation				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Revenue Inflation Update				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes

Shady Grove Medical Center Assumptions & Drivers  
Current State - No Inflation (Table G1)

	Historical		Projection								
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
SGMC Discharges	24,079	23,201	22,638	23,507	23,723	23,930	24,133	24,329	24,518	24,714	24,912
SGMC Days	113,676	112,197	111,572	112,783	113,110	113,395	113,648	113,864	114,044	114,195	114,310
SGMC ADC	311.44	306.55	304.84	308.99	309.89	310.67	311.36	311.96	312.45	312.86	312.32
SGMC ALOS	4.72	4.84	4.93	4.80	4.77	4.74	4.71	4.68	4.65	4.62	4.59
EIPA	40,838	39,412	38,425	39,900	40,267	40,618	40,962	41,294	41,615	41,948	42,284
EIPD	192,794	190,590	189,377	191,431	191,988	192,471	192,900	193,267	193,572	193,829	194,024
Adjusted Occupied Bed	528.2	522.2	517.4	524.5	526.0	527.3	528.5	529.5	530.3	531.0	530.1
<b>Total Paid FTEs excluding new tower</b>	<b>2,224.39</b>	<b>2,274.72</b>	<b>2,263.92</b>	<b>2,267.98</b>	<b>2,266.03</b>	<b>2,262.57</b>	<b>2,263.95</b>	<b>2,264.31</b>	<b>2,263.12</b>	<b>2,260.67</b>	<b>2,250.89</b>
Staff FTEs	2,173.62	2,207.64	2,149.91	2,184.94	2,191.29	2,196.80	2,201.71	2,205.89	2,209.37	2,212.30	2,208.49
Contract Labor FTEs	50.77	67.08	114.01	83.04	74.73	65.76	62.24	58.42	53.74	48.37	42.40
FTEs per AOB	4.12	4.23	4.16	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17
Total Salaries	154,567,541	161,156,153	164,513,011	169,409,254	169,901,666	170,328,924	172,251,023	174,117,085	174,386,994	174,614,176	174,318,202
Salary per FTE	69,488	70,847	76,521	77,535	77,535	77,535	77,535	77,535	77,535	77,535	77,535
Salary Inflation %				1.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
New Tower FTEs							48.8	48.8	48.8	48.8	48.8
New Tower Salary \$							1,541,696	3,083,392	3,083,392	3,083,392	3,083,392
Benefit %	21.6%	19.8%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%
Supply per EIPD	\$ 284	\$ 294	\$ 337	\$ 316	\$ 316	\$ 316	\$ 316	\$ 316	\$ 316	\$ 316	\$ 316
<i>Inflation</i>				3.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contract Labor	\$ 7,820,499	\$ 9,951,244	\$ 17,508,312	\$ 12,387,131	\$ 11,148,418	\$ 9,810,608	\$ 9,320,077	\$ 8,714,272	\$ 8,001,130	\$ 7,215,417	\$ 6,349,567
<i>Inflation</i>				-29.25%	-10.00%	-12.00%	-5.00%	-6.50%	-8.00%	-10.00%	-12.00%
General & Administrative	\$ 9,570,164	\$ 11,063,980	\$ 9,836,615	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473	\$ 10,969,473
<i>Inflation</i>				8.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Professional Fees	\$ 13,463,556	\$ 13,175,566	\$ 11,356,931	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347	\$ 12,038,347
<i>Inflation</i>				6.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Building and Maintenance	\$ 25,591,807	\$ 26,407,365	\$ 28,870,964	\$ 28,582,254	\$ 28,582,254	\$ 28,582,254	\$ 23,950,254	\$ 25,650,254	\$ 25,650,254	\$ 25,650,254	\$ 25,650,254
<i>Inflation</i>				-1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Insurance	\$ 3,157,536	\$ 3,261,789	\$ 3,285,659	\$ 3,318,516	\$ 3,318,516	\$ 3,318,516	\$ 3,318,516	\$ 3,318,516	\$ 3,318,516	\$ 3,318,516	\$ 3,318,516
<i>Inflation</i>				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation and Amortization	\$ 17,310,935	\$ 16,617,815	\$ 16,187,681	\$ 16,349,558	\$ 16,349,558	\$ 16,349,558	\$ 16,349,558	\$ 16,349,558	\$ 16,349,558	\$ 16,349,558	\$ 16,349,558
<i>Inflation</i>				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
IT Depreciation	\$ 6,346,694	\$ 6,346,694	\$ 5,629,746	\$ 5,686,043	\$ 5,686,043	\$ 5,686,043	\$ 5,686,043	\$ 5,686,043	\$ 5,686,043	\$ 5,686,043	\$ 5,686,043
<i>Inflation</i>				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
IT Services	\$ 21,497,046	\$ 21,497,051	\$ 21,457,719	\$ 21,672,296	\$ 21,672,296	\$ 21,672,296	\$ 21,672,296	\$ 21,672,296	\$ 21,672,296	\$ 21,672,296	\$ 21,672,296
<i>Inflation</i>				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Expense	\$ 6,317,210	\$ 6,206,678	\$ 6,066,904	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573	\$ 6,127,573
<i>Inflation</i>				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes

2021 includes a 1/2 year of expense inflation due to the CY 2021 revenue calculation, which includes inflation for January - June 2021 from the SFY 2021 rate order.

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2021 includes a 1/2 year of expense inflation due to the CY 2021 revenue calculation, which includes inflation for January - June 2021 from the SFY 2021 rate order.

Shady Grove Medical Center Assumptions & Drivers  
Current State - No Inflation (Table G1)

	Historical			Projection							
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
Other - Overhead Allocation	\$ 29,273,093	\$ 29,802,813	\$ 30,411,392	\$ 30,715,506	\$ 30,715,506	\$ 30,715,506	\$ 30,715,506	\$ 30,715,506	\$ 30,715,506	\$ 30,715,506	\$ 30,715,506
<i>Inflation</i>				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Purchased Services	\$ 29,456,617	\$ 30,408,254	\$ 30,206,310	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889	\$ 30,583,889
<i>Inflation</i>				1.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Project Interest Expense			\$ -	\$ -	\$ -	\$ -	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100
<i>Inflation \$</i>				0.00%	0.00%	0.00%	6,947,100	6,947,100	6,947,100	6,947,100	6,947,100
Project Depreciation							\$ 5,730,480	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433
<i>Inflation</i>				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes

2021 includes a 1/2 year of expense inflation due to the CY 2021 revenue calculation, which includes inflation for January - June 2021 from the SFY 2021 rate order.

2021 includes a 1/2 year of expense inflation due to the CY 2021 revenue calculation, which includes inflation for January - June 2021 from the SFY 2021 rate order.

**Adventist HealthCare Shady Grove Medical Center - SGMC Consolidated**  
**Historical and Projected P&L - Tower Project**  
CY 2018 through CY 2028 Projected - UNINFLATED

	Historical		Projection	Projection					
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026
Inpatient Revenue	\$ 276,338,352	\$ 285,811,383	\$ 282,671,660	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312	\$ 303,055,312
Outpatient Revenue	216,294,577	221,454,634	\$ 215,643,711	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241	\$ 229,858,241
2020 COVID Stimulus Funds	-	-	29,961,247	-	-	-	-	-	-
<b>Gross Patient Revenue</b>	<b>\$ 492,632,928</b>	<b>\$ 507,266,017</b>	<b>\$ 528,276,618</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>	<b>\$ 532,913,553</b>
HSCRC Assessments/Pass-thrus	\$ -	\$ -	\$ 16,056,567	\$ 16,208,377	\$ 16,208,377	\$ 16,208,377	\$ 16,208,377	\$ 16,208,377	\$ 16,208,377
Contractual Allowances	61,288,049	60,553,149	46,039,472	46,344,856	46,344,856	46,344,856	46,344,856	46,344,856	46,344,856
Charity Care	5,659,157	9,599,449	10,016,173	10,095,871	10,095,871	10,095,871	10,095,871	10,095,871	10,095,871
<b>Deductions from Revenue</b>	<b>\$ 66,947,206</b>	<b>\$ 70,152,598</b>	<b>\$ 72,112,211</b>	<b>\$ 72,649,105</b>	<b>\$ 72,649,105</b>	<b>\$ 72,649,105</b>	<b>\$ 72,649,105</b>	<b>\$ 72,649,105</b>	<b>\$ 72,649,105</b>
<b>Net Patient Revenue before Bad Debt</b>	<b>\$ 425,685,723</b>	<b>\$ 437,113,418</b>	<b>\$ 456,164,407</b>	<b>\$ 460,264,448</b>	<b>\$ 460,264,448</b>	<b>\$ 460,264,448</b>	<b>\$ 460,264,448</b>	<b>\$ 460,264,448</b>	<b>\$ 460,264,448</b>
Bad Debt	20,131,873	18,167,576	18,683,279	18,815,036	18,815,036	18,815,036	18,815,036	18,815,036	18,815,036
<b>Net Patient Revenue</b>	<b>\$ 405,553,850</b>	<b>\$ 418,945,842</b>	<b>\$ 437,481,128</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>	<b>\$ 441,449,412</b>
Other Operating Revenue	27,567,441	27,956,963	30,064,718	26,757,599	26,757,599	26,757,599	23,957,599	23,957,599	23,957,599
<b>Total Operating Revenue</b>	<b>\$ 433,121,290</b>	<b>\$ 446,902,805</b>	<b>\$ 467,545,846</b>	<b>\$ 468,207,011</b>	<b>\$ 468,207,011</b>	<b>\$ 468,207,011</b>	<b>\$ 465,407,011</b>	<b>\$ 465,407,011</b>	<b>\$ 465,407,011</b>
Salaries and Wages	\$ 154,567,541	\$ 161,156,153	\$ 164,513,011	\$ 169,409,254	\$ 169,901,666	\$ 170,328,924	\$ 172,251,023	\$ 174,117,085	\$ 174,386,994
Employee Benefits	33,449,523	31,853,408	34,059,352	35,073,028	35,174,972	35,263,428	35,661,363	36,047,696	36,103,576
Supplies	54,771,090	56,114,400	63,900,817	60,492,417	60,668,247	60,820,812	60,956,646	61,072,470	61,168,849
Contract Labor	7,820,499	9,951,244	17,508,312	12,387,131	11,148,418	9,810,608	9,320,077	8,714,272	8,017,130
General & Administrative	9,570,164	11,063,980	9,836,615	10,969,473	10,969,473	10,969,473	10,969,473	10,969,473	10,969,473
Professional Fees	13,463,556	13,175,566	11,356,931	12,038,347	12,038,347	12,038,347	12,038,347	12,038,347	12,038,347
Purchased Services	29,456,617	30,408,254	30,206,310	30,583,889	30,583,889	30,583,889	30,583,889	30,583,889	30,583,889
Building and Maintenance	25,591,807	26,407,365	28,870,964	28,582,254	28,582,254	28,582,254	23,950,254	25,650,254	25,650,254
Insurance	3,157,536	3,261,789	3,285,659	3,318,516	3,318,516	3,318,516	3,318,516	3,318,516	3,318,516
Depreciation and Amortization	17,310,935	16,617,815	16,187,681	16,349,558	16,349,558	16,349,558	22,080,038	22,600,991	22,600,991
IT Depreciation	6,346,694	6,346,694	5,629,746	5,686,043	5,686,043	5,686,043	5,686,043	5,686,043	5,686,043
IT Services	21,497,046	21,497,051	21,457,719	21,672,296	21,672,296	21,672,296	21,672,296	21,672,296	21,672,296
Interest Expense	6,317,210	6,206,678	6,066,904	6,127,573	6,127,573	6,127,573	13,074,673	13,074,673	13,074,673
Other - Overhead Allocation	29,273,093	29,802,813	30,411,392	30,715,506	30,715,506	30,715,506	30,715,506	30,715,506	30,715,506
<b>Total Operating Expenses</b>	<b>\$ 412,593,313</b>	<b>\$ 423,863,210</b>	<b>\$ 443,291,413</b>	<b>\$ 443,405,285</b>	<b>\$ 442,936,759</b>	<b>\$ 442,267,227</b>	<b>\$ 452,278,144</b>	<b>\$ 456,261,512</b>	<b>\$ 455,986,537</b>
<b>Income (loss) from operations</b>	<b>\$ 20,527,978</b>	<b>\$ 23,039,594</b>	<b>\$ 24,254,433</b>	<b>\$ 24,801,726</b>	<b>\$ 25,270,252</b>	<b>\$ 25,939,784</b>	<b>\$ 13,128,866</b>	<b>\$ 9,145,499</b>	<b>\$ 9,420,474</b>
Non-Operating Income	775,313	6,301,524	1,566,002	3,321,587	3,321,587	3,321,587	3,321,587	3,321,587	3,321,587
<b>Net Income</b>	<b>\$ 21,303,291</b>	<b>\$ 29,341,118</b>	<b>\$ 25,820,435</b>	<b>\$ 28,123,313</b>	<b>\$ 28,591,839</b>	<b>\$ 29,261,371</b>	<b>\$ 16,450,453</b>	<b>\$ 12,467,086</b>	<b>\$ 12,742,061</b>

**TABLE H. REVENUES & EXPENSES, INFLATED - ENTIRE FACILITY**

**INSTRUCTION:** Complete this table for the entire facility, including the proposed project. Table H should reflect inflation. Projected revenues and expenses should be consistent with the projections in Table F. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.							
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
<b>Indicate CY</b>											
<b>1. REVENUE</b>											
a. Inpatient Services	\$ 276,338,352	\$ 285,811,383	\$ 282,671,660	\$ 306,618,524	\$ 313,809,684	\$ 321,169,518	\$ 328,701,982	\$ 336,411,125	\$ 344,301,092	\$ 352,376,124	\$ 360,640,564
b. Outpatient Services	\$ 216,294,577	\$ 221,454,634	\$ 215,643,711	\$ 232,528,272	\$ 237,730,104	\$ 243,051,431	\$ 248,495,031	\$ 254,063,747	\$ 259,760,487	\$ 265,588,230	\$ 271,550,022
2020 COVID Stimulus Funds	\$ -	\$ -	\$ 29,961,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Gross Patient Service Revenues</b>	<b>\$ 492,632,928</b>	<b>\$ 507,266,017</b>	<b>\$ 528,276,618</b>	<b>\$ 539,146,795</b>	<b>\$ 551,539,788</b>	<b>\$ 564,220,950</b>	<b>\$ 577,197,013</b>	<b>\$ 590,474,872</b>	<b>\$ 604,061,579</b>	<b>\$ 617,964,354</b>	<b>\$ 632,190,585</b>
c. Allowance For Bad Debt	\$ 20,131,873	\$ 18,167,576	\$ 18,683,279	\$ 19,034,133	\$ 19,470,379	\$ 19,916,728	\$ 20,373,417	\$ 20,840,685	\$ 21,318,779	\$ 21,807,951	\$ 22,308,460
d. Contractual Allowance	\$ 61,288,049	\$ 60,553,149	\$ 62,096,039	\$ 63,269,740	\$ 64,606,836	\$ 65,973,827	\$ 67,371,399	\$ 68,800,255	\$ 70,261,115	\$ 71,754,712	\$ 73,281,801
e. Charity Care	\$ 5,659,157	\$ 9,599,449	\$ 10,016,173	\$ 10,214,219	\$ 10,453,034	\$ 10,697,434	\$ 10,947,550	\$ 11,203,517	\$ 11,465,470	\$ 11,733,550	\$ 12,007,900
<b>Net Patient Services Revenue</b>	<b>\$ 405,553,850</b>	<b>\$ 418,945,842</b>	<b>\$ 437,481,128</b>	<b>\$ 446,628,703</b>	<b>\$ 457,009,540</b>	<b>\$ 467,632,961</b>	<b>\$ 478,504,647</b>	<b>\$ 489,630,415</b>	<b>\$ 501,016,215</b>	<b>\$ 512,668,140</b>	<b>\$ 524,592,424</b>
f. Other Operating Revenues (Specify/add rows if needed)	\$ 27,567,441	\$ 27,956,963	\$ 30,064,718	\$ 27,058,246	\$ 27,599,411	\$ 28,151,399	\$ 25,914,427	\$ 26,432,716	\$ 26,961,370	\$ 27,500,598	\$ 28,050,610
<b>NET OPERATING REVENUE</b>	<b>\$ 433,121,290</b>	<b>\$ 446,902,805</b>	<b>\$ 467,545,846</b>	<b>\$ 473,686,949</b>	<b>\$ 484,608,951</b>	<b>\$ 495,784,360</b>	<b>\$ 504,419,074</b>	<b>\$ 516,063,131</b>	<b>\$ 527,977,585</b>	<b>\$ 540,168,738</b>	<b>\$ 552,643,034</b>
<b>2. EXPENSES</b>											
a. Salaries & Wages (including benefits)	\$ 188,017,064	\$ 193,009,561	\$ 198,572,363	\$ 207,156,241	\$ 212,329,055	\$ 217,545,993	\$ 224,080,603	\$ 231,885,241	\$ 237,272,824	\$ 242,727,496	\$ 247,564,148
b. Contractual Services	\$ 7,820,499	\$ 9,951,244	\$ 17,508,312	\$ 12,518,443	\$ 11,454,375	\$ 10,251,666	\$ 9,892,858	\$ 9,398,215	\$ 8,787,331	\$ 8,040,408	\$ 7,196,165
c. Interest on Current Debt	\$ 6,317,210	\$ 6,206,678	\$ 6,066,904	\$ 6,188,242	\$ 6,312,007	\$ 6,438,247	\$ 6,567,012	\$ 6,698,352	\$ 6,832,319	\$ 6,968,966	\$ 7,108,345
d. Interest on Project Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100
e. Current Depreciation	\$ 23,657,629	\$ 22,964,509	\$ 21,817,427	\$ 22,253,776	\$ 22,698,851	\$ 23,152,828	\$ 23,615,885	\$ 24,088,202	\$ 24,569,966	\$ 25,061,366	\$ 25,562,593
f. Project Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,730,480	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433
g. Current Amortization											
h. Project Amortization											
i. Supplies	\$ 54,771,090	\$ 56,114,400	\$ 63,900,817	\$ 61,369,119	\$ 63,393,922	\$ 65,459,941	\$ 67,574,320	\$ 69,733,800	\$ 71,939,163	\$ 74,195,605	\$ 76,498,622
j. Other Expenses - General & Administrative	\$ 9,570,164	\$ 11,063,980	\$ 9,836,615	\$ 11,071,043	\$ 11,292,463	\$ 11,518,313	\$ 11,748,679	\$ 11,983,652	\$ 12,223,326	\$ 12,467,792	\$ 12,717,148
j. Other Expenses - Professional Fees	\$ 13,463,556	\$ 13,175,566	\$ 11,356,931	\$ 12,151,916	\$ 12,394,954	\$ 12,642,854	\$ 12,895,711	\$ 13,153,625	\$ 13,416,697	\$ 13,685,031	\$ 13,958,732
j. Other Expenses - Purchased Services	\$ 29,456,617	\$ 30,408,254	\$ 30,206,310	\$ 30,961,468	\$ 31,735,504	\$ 32,528,892	\$ 33,342,114	\$ 34,175,667	\$ 35,030,059	\$ 35,905,810	\$ 36,803,456
j. Other Expenses - Building & Maintenance	\$ 25,591,807	\$ 26,407,365	\$ 28,870,964	\$ 28,870,964	\$ 29,448,383	\$ 30,037,351	\$ 26,006,098	\$ 28,226,220	\$ 28,790,744	\$ 29,366,559	\$ 29,953,890
j. Other Expenses	\$ 53,927,675	\$ 54,561,653	\$ 55,154,770	\$ 56,257,865	\$ 57,383,023	\$ 58,530,683	\$ 59,701,297	\$ 60,895,323	\$ 62,113,229	\$ 63,355,494	\$ 64,622,604
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 412,593,313</b>	<b>\$ 423,863,210</b>	<b>\$ 443,291,413</b>	<b>\$ 448,799,077</b>	<b>\$ 458,442,539</b>	<b>\$ 468,106,768</b>	<b>\$ 488,102,156</b>	<b>\$ 503,436,830</b>	<b>\$ 514,174,191</b>	<b>\$ 524,973,060</b>	<b>\$ 535,184,236</b>

**TABLE H. REVENUES & EXPENSES, INFLATED - ENTIRE FACILITY**

**INSTRUCTION:** Complete this table for the entire facility, including the proposed project. Table H should reflect inflation. Projected revenues and expenses should be consistent with the projections in Table F. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Two Most Recent Years (Actual)		Current Year Projected	Projected Years (ending at least two years after project completion and full occupancy) Add columns if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.							
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
<b>3. INCOME</b>											
a. Income From Operation	\$ 20,527,978	\$ 23,039,594	\$ 24,254,433	\$ 24,887,872	\$ 26,166,412	\$ 27,677,593	\$ 16,316,919	\$ 12,626,300	\$ 13,803,394	\$ 15,195,677	\$ 17,458,798
b. Non-Operating Income	\$ 775,313	\$ 6,301,524	\$ 1,566,002	\$ 3,321,587	\$ 3,404,627	\$ 3,489,742	\$ 3,576,986	\$ 3,666,411	\$ 3,758,071	\$ 3,852,023	\$ 3,948,323
<b>SUBTOTAL</b>	<b>\$ 21,303,291</b>	<b>\$ 29,341,118</b>	<b>\$ 25,820,435</b>	<b>\$ 28,209,459</b>	<b>\$ 29,571,039</b>	<b>\$ 31,167,335</b>	<b>\$ 19,893,904</b>	<b>\$ 16,292,711</b>	<b>\$ 17,561,465</b>	<b>\$ 19,047,700</b>	<b>\$ 21,407,121</b>
c. Income Taxes											
<b>NET INCOME (LOSS)</b>	<b>\$ 21,303,291</b>	<b>\$ 29,341,118</b>	<b>\$ 25,820,435</b>	<b>\$ 28,209,459</b>	<b>\$ 29,571,039</b>	<b>\$ 31,167,335</b>	<b>\$ 19,893,904</b>	<b>\$ 16,292,711</b>	<b>\$ 17,561,465</b>	<b>\$ 19,047,700</b>	<b>\$ 21,407,121</b>
<b>4. PATIENT MIX</b>											
<b>a. Percent of Total Revenue</b>											
1) Medicare	34.4%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%
2) Medicaid	19.3%	19.8%	20.2%	20.2%	20.2%	20.2%	20.2%	20.2%	20.2%	20.2%	20.2%
3) Blue Cross	20.5%	19.9%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
4) Commercial Insurance	20.8%	20.8%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%
5) Self-pay	4.0%	3.9%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%
6) Other	1.0%	1.0%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>b. Percent of Equivalent Inpatient Days</b>											
<b>Total Patient Days</b>											
1) Medicare	33.1%	33.8%	33.8%	33.8%	33.8%	33.8%	33.8%	33.8%	33.8%	33.8%	33.8%
2) Medicaid	28.5%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%	27.9%
3) Blue Cross	17.8%	16.7%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
4) Commercial Insurance	18.3%	19.1%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%
5) Self-pay	2.1%	2.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%
6) Other	0.2%	0.2%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Shady Grove Medical Center Assumptions & Drivers  
Current State - Inflation (Table H1)

	Historical		Projection								
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
IP Hospital Revenue	276,338,352	285,811,383	282,671,660	306,618,524	313,809,684	321,169,518	328,701,982	336,411,125	344,301,092	352,376,124	360,640,564
OP Hospital Revenue	192,329,870	199,698,415	197,120,936	213,820,268	218,835,021	223,967,397	229,220,157	234,596,124	240,098,188	245,729,308	251,492,510
<b>SGMC &amp; GEC</b>											
Gross GBR			475,472,635	515,926,701	528,026,598	540,410,302	553,084,470	566,055,914	579,331,609	592,918,692	606,824,467
Stimulus Funds			29,961,247	-	-	-	-	-	-	-	-
UCC Payments/Receipts			4,319,961	4,512,091	4,618,107	4,726,613	4,837,669	4,951,334	5,067,670	5,186,740	5,308,606
<b>Total Gross</b>			<b>509,753,843</b>	<b>520,438,792</b>	<b>532,644,705</b>	<b>545,136,915</b>	<b>557,922,139</b>	<b>571,007,249</b>	<b>584,399,280</b>	<b>598,105,432</b>	<b>612,133,074</b>
Deductions:											
Contractual Allowances			35,234,205	35,957,141	36,799,824	37,662,259	38,544,909	39,448,248	40,372,760	41,318,943	42,287,303
HSCRC Assessments			16,056,567	16,399,279	16,784,559	17,178,890	17,582,486	17,995,564	18,418,346	18,851,061	19,293,943
Bad Debt			18,097,550	18,442,547	18,872,877	19,313,251	19,763,905	20,225,078	20,697,016	21,179,971	21,674,199
Charity Care			10,013,946	10,211,970	10,450,762	10,695,140	10,945,233	11,201,176	11,463,106	11,731,163	12,005,489
<b>Net Patient Service Revenue</b>			<b>430,351,575</b>	<b>439,427,855</b>	<b>449,736,683</b>	<b>460,287,375</b>	<b>471,085,606</b>	<b>482,137,183</b>	<b>493,448,051</b>	<b>505,024,294</b>	<b>516,872,140</b>
<b>Other Revenue</b>											
	115	1,102,253	1,272,103	1,404,686	1,418,733	1,432,920	1,447,249	1,461,722	1,476,339	1,491,102	1,506,013
<i>Inflation</i>				1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Contractual Allowances				22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%	22.8%
Charity				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bad Debt				4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Net Revenue				1,016,993	1,027,163	1,037,434	1,047,809	1,058,287	1,068,869	1,079,558	1,090,354
	131	6,345,164	6,412,277	6,119,669	6,180,866	6,242,675	6,305,101	6,368,152	6,431,834	6,496,152	6,561,114
<i>Inflation</i>				1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Contractual Allowances				69.0%	69.0%	69.0%	69.0%	69.0%	69.0%	69.0%	69.0%
Charity				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bad Debt				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net Revenue				1,898,933	1,917,923	1,937,102	1,956,473	1,976,038	1,995,798	2,015,756	2,035,914
	401	6,665,743	5,898,712	3,839,532	3,877,927	3,916,707	3,955,874	3,995,432	4,035,387	4,075,741	4,116,498
<i>Inflation</i>				1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Contractual Allowances				69.6%	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%	69.6%
Charity				0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Bad Debt				3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%
Net Revenue				1,045,389	1,055,843	1,066,402	1,077,066	1,087,836	1,098,715	1,109,702	1,120,799
	405	9,851,457	8,173,127	7,158,888	7,230,477	7,302,782	7,375,810	7,449,568	7,524,063	7,599,304	7,675,297
<i>Inflation</i>				1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Contractual Allowances				50.2%	50.2%	50.2%	50.2%	50.2%	50.2%	50.2%	50.2%
Charity				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bad Debt				5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
Net Revenue				3,168,238	3,199,920	3,231,919	3,264,238	3,296,881	3,329,850	3,363,148	3,396,779
Total Contractuals				46,039,472	46,870,461	47,822,277	48,794,936	49,788,913	50,804,692	51,842,769	52,903,651
Total Charity				10,016,173	10,214,219	10,453,034	10,697,434	10,947,550	11,203,517	11,465,470	11,733,550
Total Bad Debt				18,683,279	19,034,133	19,470,379	19,916,728	20,373,417	20,840,685	21,318,779	21,807,951
Total Passthroughs				16,056,567	16,399,279	16,784,559	17,178,890	17,582,486	17,995,564	18,418,346	18,851,061
<b>Net Patient Service Revenue</b>				<b>437,481,128</b>	<b>446,628,703</b>	<b>457,009,540</b>	<b>467,632,961</b>	<b>478,504,647</b>	<b>489,630,415</b>	<b>501,016,215</b>	<b>512,668,140</b>
EIPA Factor ("Equivalent IP Admission")		1.6960	1.6987	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973
IP Revenue per Admission			\$ 12,487	\$ 12,487	\$ 12,487	\$ 12,487	\$ 12,487	\$ 12,487	\$ 12,487	\$ 12,487	\$ 12,487
OP Revenue per EIPD ("Equivalent IP Day")			2,533.54	2,718.67	2,774.37	2,832.31	2,892.28	2,954.50	3,019.03	3,085.74	3,154.93
Physician Revenue per EIPD			2,534	2,719	2,774	2,832	2,892	2,954	3,019	3,086	3,155
<i>Other Operating Revenue</i>	\$ 27,567,441	\$ 27,956,963	\$ 30,064,718	\$ 27,058,246	\$ 27,599,411	\$ 28,151,399	\$ 28,714,427	\$ 29,287,716	\$ 29,871,370	\$ 30,465,598	\$ 31,070,610
<i>Other Operating Revenue Growth</i>				-10.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
<i>Other Operating Revenue Growth \$</i>				(2,800,000)							
<i>Non-Operating Revenue</i>			1,566,002	3,321,587	3,404,627	3,489,742	3,576,986	3,666,411	3,758,071	3,852,023	3,948,323
<i>Inflation</i>				2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
<i>Revenue Inflation Update</i>				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes

Shady Grove Medical Center Assumptions & Drivers  
Current State - Inflation (Table H1)

	Historical		Projection								
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
SGMC Discharges	24,079	23,201	22,638	23,507	23,723	23,930	24,133	24,329	24,518	24,714	24,912
SGMC Days	113,676	112,197	111,572	112,783	113,110	113,395	113,648	113,864	114,044	114,195	114,310
SGMC ADC	311.44	306.55	304.84	308.99	309.89	310.67	310.51	311.96	312.45	312.86	312.32
SGMC ALOS	4.72	4.84	4.93	4.80	4.77	4.74	4.71	4.68	4.65	4.62	4.59
EIPA	40,838	39,412	38,425	39,900	40,267	40,618	40,962	41,294	41,615	41,948	42,284
EIPD	192,794	190,590	189,377	191,431	191,988	192,471	192,900	193,267	193,572	193,829	194,024
Adjusted Occupied Bed	528.2	522.2	517.4	524.5	526.0	527.3	527.1	529.5	530.3	531.0	530.1
Total Paid FTEs excluding new tower	2,224.39	2,274.72	2,263.92	2,268.86	2,268.08	2,265.52	2,261.76	2,268.89	2,268.28	2,266.20	2,256.73
Staff FTEs	2,173.62	2,207.64	2,149.91	2,184.94	2,191.29	2,196.80	2,195.69	2,205.89	2,209.37	2,212.30	2,208.49
Contract Labor FTEs (Included in Total Paid)	50.77	67.08	114.01	83.92	76.78	68.72	66.06	63.00	58.91	53.90	48.24
FTEs per AOB	4.12	4.23	4.16	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17
Total Salaries	154,567,541	161,156,153	164,513,011	171,624,573	175,910,140	180,232,263	185,646,049	192,112,027	196,575,526	201,094,607	205,101,671
Salary per FTE	69,488	70,847	76,521	78,549	80,277	82,043	83,848	85,693	87,578	89,505	91,474
Salary Inflation %				2.65%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%
New Tower FTEs							48.8	48.8	48.8	48.8	48.8
New Tower Salary \$							1,541,696	3,083,392	3,083,392	3,083,392	3,083,392
Benefit %	21.6%	19.8%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%
Supply per EIPD	\$ 284	\$ 294	\$ 337	\$ 321	\$ 330	\$ 340	\$ 350	\$ 361	\$ 372	\$ 383	\$ 394
Inflation				5.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Contract Labor	\$ 7,820,499	\$ 9,951,244	\$ 17,508,312	\$ 12,518,443	\$ 11,454,375	\$ 10,251,666	\$ 9,892,858	\$ 9,398,215	\$ 8,787,331	\$ 8,040,408	\$ 7,196,165
Inflation				-28.50%	-8.50%	-10.50%	-3.50%	-5.00%	-6.50%	-8.50%	-10.50%
General & Administrative	\$ 9,570,164	\$ 11,063,980	\$ 9,836,615	\$ 11,071,043	\$ 11,292,463	\$ 11,518,313	\$ 11,748,679	\$ 11,983,652	\$ 12,223,326	\$ 12,467,792	\$ 12,717,148
Inflation				9.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Professional Fees	\$ 13,463,556	\$ 13,175,566	\$ 11,356,931	\$ 12,151,916	\$ 12,394,954	\$ 12,642,854	\$ 12,895,711	\$ 13,153,625	\$ 13,416,697	\$ 13,685,031	\$ 13,958,732
Inflation				7.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Building and Maintenance	\$ 25,591,807	\$ 26,407,365	\$ 28,870,964	\$ 28,870,964	\$ 29,448,383	\$ 30,037,351	\$ 26,006,098	\$ 28,226,220	\$ 28,790,744	\$ 29,366,559	\$ 29,953,890
Inflation \$				0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Insurance	\$ 3,157,536	\$ 3,261,789	\$ 3,285,659	\$ 3,351,372	\$ 3,418,400	\$ 3,486,768	\$ 3,556,503	\$ 3,627,633	\$ 3,700,186	\$ 3,774,189	\$ 3,849,673
Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Depreciation and Amortization	\$ 17,310,935	\$ 16,617,815	\$ 16,187,681	\$ 16,511,435	\$ 16,841,663	\$ 17,178,497	\$ 17,522,067	\$ 17,872,508	\$ 18,229,958	\$ 18,594,557	\$ 18,966,448
Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
IT Depreciation	\$ 6,346,694	\$ 6,346,694	\$ 5,629,746	\$ 5,742,341	\$ 5,857,188	\$ 5,974,331	\$ 6,093,818	\$ 6,215,694	\$ 6,340,008	\$ 6,466,809	\$ 6,596,145
Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
IT Services	\$ 21,497,046	\$ 21,497,051	\$ 21,457,719	\$ 21,886,873	\$ 22,324,611	\$ 22,771,103	\$ 23,226,525	\$ 23,691,056	\$ 24,164,877	\$ 24,648,174	\$ 25,141,138
Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest Expense	\$ 6,317,210	\$ 6,206,678	\$ 6,066,904	\$ 6,188,242	\$ 6,312,007	\$ 6,438,247	\$ 6,567,012	\$ 6,698,352	\$ 6,832,319	\$ 6,968,966	\$ 7,108,345
Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Notes

Shady Grove Medical Center Assumptions & Drivers  
Current State - Inflation (Table H1)

	Historical		Projection									
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	
Other - Overhead Allocation	\$ 29,273,093	\$ 29,802,813	\$ 30,411,392	\$ 31,019,620	\$ 31,640,012	\$ 32,272,812	\$ 32,918,269	\$ 33,576,634	\$ 34,248,167	\$ 34,933,130	\$ 35,631,793	
Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Purchased Services	\$ 29,456,617	\$ 30,408,254	\$ 30,206,310	\$ 30,961,468	\$ 31,735,504	\$ 32,528,892	\$ 33,342,114	\$ 34,175,667	\$ 35,030,059	\$ 35,905,810	\$ 36,803,456	
Inflation				2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	
Project Interest Expense				\$ -	\$ -	\$ -	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100	\$ 6,947,100	
Inflation				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Inflation \$							6,947,100					
Project Depreciation							\$ 5,730,480	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433	
Inflation				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

Notes

**Adventist HealthCare Shady Grove Medical Center - SGMC Consolidated**  
**Historical and Projected P&L - Tower Project**  
CY 2018 through CY 2028 Projected - INFLATED

	Historical		Projection	Projection							
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
Inpatient Revenue	\$ 276,338,352	\$ 285,811,383	\$ 282,671,660	\$ 306,618,524	\$ 313,809,684	\$ 321,169,518	\$ 328,701,982	\$ 336,411,125	\$ 344,301,092	\$ 352,376,124	\$ 360,640,564
Outpatient Revenue	216,294,577	221,454,634	\$ 215,643,711	\$ 232,528,272	\$ 237,730,104	\$ 243,051,431	\$ 248,495,031	\$ 254,063,747	\$ 259,760,487	\$ 265,588,230	\$ 271,550,022
2020 COVID Stimulus Funds	-	-	29,961,247	-	-	-	-	-	-	-	-
<b>Gross Patient Revenue</b>	<b>\$ 492,632,928</b>	<b>\$ 507,266,017</b>	<b>\$ 528,276,618</b>	<b>\$ 539,146,795</b>	<b>\$ 551,539,788</b>	<b>\$ 564,220,950</b>	<b>\$ 577,197,013</b>	<b>\$ 590,474,872</b>	<b>\$ 604,061,579</b>	<b>\$ 617,964,354</b>	<b>\$ 632,190,585</b>
HSCRC Assessments/Pass-thrus	\$ -	\$ -	\$ 16,056,567	\$ 16,399,279	\$ 16,784,559	\$ 17,178,890	\$ 17,582,486	\$ 17,995,564	\$ 18,418,346	\$ 18,851,061	\$ 19,293,943
Contractual Allowances	61,288,049	60,553,149	46,039,472	46,870,461	47,822,277	48,794,936	49,788,913	50,804,692	51,842,769	52,903,651	53,987,859
Charity Care	5,659,157	9,599,449	10,016,173	10,214,219	10,453,034	10,697,434	10,947,550	11,203,517	11,465,470	11,733,550	12,007,900
Deductions from Revenue	\$ 66,947,206	\$ 70,152,598	\$ 72,112,211	\$ 73,483,959	\$ 75,059,870	\$ 76,671,261	\$ 78,318,950	\$ 80,003,772	\$ 81,726,585	\$ 83,488,263	\$ 85,289,702
<b>Net Patient Revenue before Bad Debt</b>	<b>\$ 425,685,723</b>	<b>\$ 437,113,418</b>	<b>\$ 456,164,407</b>	<b>\$ 465,662,836</b>	<b>\$ 476,479,919</b>	<b>\$ 487,549,689</b>	<b>\$ 498,878,064</b>	<b>\$ 510,471,100</b>	<b>\$ 522,334,994</b>	<b>\$ 534,476,092</b>	<b>\$ 546,900,884</b>
Bad Debt	20,131,873	18,167,576	18,683,279	19,034,133	19,470,379	19,916,728	20,373,417	20,840,685	21,318,779	21,807,951	22,308,460
<b>Net Patient Revenue</b>	<b>\$ 405,553,850</b>	<b>\$ 418,945,842</b>	<b>\$ 437,481,128</b>	<b>\$ 446,628,703</b>	<b>\$ 457,009,540</b>	<b>\$ 467,632,961</b>	<b>\$ 478,504,647</b>	<b>\$ 489,630,415</b>	<b>\$ 501,016,215</b>	<b>\$ 512,668,140</b>	<b>\$ 524,592,424</b>
Other Operating Revenue	27,567,441	27,956,963	30,064,718	27,058,246	27,599,411	28,151,399	25,914,427	26,432,716	26,961,370	27,500,598	28,050,610
<b>Total Operating Revenue</b>	<b>\$ 433,121,290</b>	<b>\$ 446,902,805</b>	<b>\$ 467,545,846</b>	<b>\$ 473,686,949</b>	<b>\$ 484,608,951</b>	<b>\$ 495,784,360</b>	<b>\$ 504,419,074</b>	<b>\$ 516,063,131</b>	<b>\$ 527,977,585</b>	<b>\$ 540,168,738</b>	<b>\$ 552,643,034</b>
Salaries and Wages	\$ 154,567,541	\$ 161,156,153	\$ 164,513,011	\$ 171,624,573	\$ 175,910,140	\$ 180,232,263	\$ 185,646,049	\$ 192,112,027	\$ 196,575,526	\$ 201,094,607	\$ 205,101,671
Employee Benefits	33,449,523	31,853,408	34,059,352	35,531,668	36,418,915	37,313,730	38,434,553	39,773,214	40,697,298	41,632,889	42,462,477
Supplies	54,771,090	56,114,400	63,900,817	61,369,119	63,393,922	65,459,941	67,574,320	69,733,800	71,939,163	74,195,605	76,498,622
Contract Labor	7,820,499	9,951,244	17,508,312	12,518,443	11,454,375	10,251,666	9,892,858	9,398,215	8,787,331	8,040,408	7,196,165
General & Administrative	9,570,164	11,063,980	9,836,615	11,071,043	11,292,463	11,518,313	11,748,679	11,983,652	12,223,326	12,467,792	12,717,148
Professional Fees	13,463,556	13,175,566	11,356,931	12,151,916	12,394,954	12,642,854	12,895,711	13,153,625	13,416,697	13,685,031	13,958,732
Purchased Services	29,456,617	30,408,254	30,206,310	30,961,468	31,735,504	32,528,892	33,342,114	34,175,667	35,030,059	35,905,810	36,803,456
Building and Maintenance	25,591,807	26,407,365	28,870,964	28,870,964	29,448,383	30,037,351	26,006,098	28,226,220	28,790,744	29,366,559	29,953,890
Insurance	3,157,536	3,261,789	3,285,659	3,351,372	3,418,400	3,486,768	3,556,503	3,627,633	3,700,186	3,774,189	3,849,673
Depreciation and Amortization	17,310,935	16,617,815	16,187,681	16,511,435	16,841,663	17,178,497	23,252,547	24,123,941	24,481,391	24,845,990	25,217,881
IT Depreciation	6,346,694	6,346,694	5,629,746	5,742,341	5,857,188	5,974,331	6,093,818	6,215,694	6,340,008	6,466,809	6,596,145
IT Services	21,497,046	21,497,051	21,457,719	21,886,873	22,324,611	22,771,103	23,226,525	23,691,056	24,164,877	24,648,174	25,141,138
Interest Expense	6,317,210	6,206,678	6,066,904	6,188,242	6,312,007	6,438,247	6,514,112	6,645,452	6,779,419	6,916,066	7,055,445
Other - Overhead Allocation	29,273,093	29,802,813	30,411,392	31,019,620	31,640,012	32,272,812	32,918,269	33,576,634	34,248,167	34,933,130	35,631,793
<b>Total Operating Expenses</b>	<b>\$ 412,593,313</b>	<b>\$ 423,863,210</b>	<b>\$ 443,291,413</b>	<b>\$ 448,799,077</b>	<b>\$ 458,442,539</b>	<b>\$ 468,106,768</b>	<b>\$ 488,102,156</b>	<b>\$ 503,436,830</b>	<b>\$ 514,174,191</b>	<b>\$ 524,973,060</b>	<b>\$ 535,184,236</b>
<b>Income (loss) from operations</b>	<b>\$ 20,527,978</b>	<b>\$ 23,039,594</b>	<b>\$ 24,254,433</b>	<b>\$ 24,887,872</b>	<b>\$ 26,166,412</b>	<b>\$ 27,677,593</b>	<b>\$ 16,316,919</b>	<b>\$ 12,626,300</b>	<b>\$ 13,803,394</b>	<b>\$ 15,195,677</b>	<b>\$ 17,458,798</b>
Non-Operating Income	775,313	6,301,524	1,566,002	3,321,587	3,404,627	3,489,742	3,576,986	3,666,411	3,758,071	3,852,023	3,948,323
<b>Net Income</b>	<b>\$ 21,303,291</b>	<b>\$ 29,341,118</b>	<b>\$ 25,820,435</b>	<b>\$ 28,209,459</b>	<b>\$ 29,571,039</b>	<b>\$ 31,167,335</b>	<b>\$ 19,893,904</b>	<b>\$ 16,292,711</b>	<b>\$ 17,561,465</b>	<b>\$ 19,047,700</b>	<b>\$ 21,407,121</b>

**Shady Grove Medical Center  
Tower CON Additional Costs**

**Salaries**

<b>Description</b>	<b>FTE</b>	<b>Rate</b>	<b>Salary</b>
EVS Staff	10.00	\$ 18.00	374,400
EVS Managers	1.00	\$ 33.00	68,640
Facilities	3.00	\$ 35.00	218,400
Nurse Manager	2.00	\$ 64.00	266,240
ANM	9.40	\$ 53.00	1,036,256
USC	9.40	\$ 23.00	449,696
Dietary	5.00	\$ 20.00	208,000
Security/Other	6.00	\$ 28.00	349,440
Transporters	3.00	\$ 18.00	112,320
<b>Total</b>	<b>48.80</b>		<b>3,083,392</b>

**Other Expenses**

<b>Description</b>		<b>Expense</b>
Maintenance and EVS Expense	-	1,700,000

**TABLE L. WORKFORCE INFORMATION**

**INSTRUCTION:** List the facility's existing staffing and changes required by this project. Include all major job categories under each heading provided in the table. The number of Full Time Equivalents (FTEs) should be calculated on the basis of 2,080 paid hours per year equals one FTE. In an attachment to the application, explain any factor used in converting paid hours to worked hours. Please ensure that the projections in this table are consistent with expenses provided in uninflated projections in Tables F and G.

Indicate CY	CURRENT ENTIRE FACILITY			PROJECTED CHANGES AS A RESULT OF THE PROPOSED PROJECT THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)			OTHER EXPECTED CHANGES IN OPERATIONS THROUGH THE LAST YEAR OF PROJECTION (CURRENT DOLLARS)			PROJECTED ENTIRE FACILITY THROUGH THE LAST YEAR OF PROJECTION (CURRENT)	
	Job Category	Current Year FTEs	Average Salary per FTE	Current Year Total Cost	FTEs	Average Salary per FTE	Total Cost (should be consistent with projections in Table G, if submitted).	FTEs	Average Salary per FTE	Total Cost	FTEs
<b>1. Regular Employees</b>											
Administration (List general categories, add rows if needed)											
Hospital Leadership	38.6	\$ 127,798	\$ 4,937,277			\$0			\$0	38.6	\$4,937,277
Other Administrative Leadership	45.9	105,296	4,833,126	2.0	133,120	\$266,240	4.9	105,296	515,950	52.8	5,615,316
Senior Leadership	7.8	275,388	2,134,501			\$0			\$0	7.8	2,134,501
						\$0			\$0	0.0	-
<b>Total Administration</b>	<b>92.3</b>	<b>\$ 129,002</b>	<b>\$ 11,904,903</b>	<b>2.0</b>	<b>\$ 133,120</b>	<b>\$ 266,240</b>	<b>4.9</b>	<b>\$ 105,296</b>	<b>\$ 515,950</b>	<b>99.2</b>	<b>\$12,687,093</b>
Direct Care Staff (List general categories, add rows if needed)											
Ancillary	46.2	\$ 89,694	\$ 4,146,305							46.2	\$4,146,305
Behavioral Health	254.4	61,641	15,680,863			\$0	5.0	61,641	308,206	259.4	15,989,069
Imaging Services	55.7	87,070	4,850,446			\$0				55.7	4,850,446
Nursing	851.7	84,176	71,694,307	9.4	110,240	\$1,036,256	34.5	84,176	2,902,374	895.6	75,632,937
Physician and Physician Extender	37.4	173,247	6,481,896			\$0				37.4	6,481,896
Surgical and Cardiovascular Services	89.9	88,666	7,969,575			\$0			-	89.9	7,969,575
			-			\$0			-	0.0	\$0
<b>Total Direct Care</b>	<b>1,335.3</b>	<b>\$ 82,992</b>	<b>\$ 110,823,392</b>	<b>9.4</b>	<b>\$ 110,240</b>	<b>\$ 1,036,256</b>	<b>39.5</b>	<b>\$ 81,322</b>	<b>\$ 3,210,580</b>	<b>1,384.2</b>	<b>\$115,070,228</b>
Support Staff (List general categories, add rows if needed)											
Administrative Support	18.8	\$ 62,818	\$ 1,181,096				2.5	\$ 62,818	\$ 157,044	21.3	\$1,338,140
Care Navigation	74.5	71,998	5,366,792				2.6	71,998	187,196	77.1	5,553,987
Clinical Support	182.8	70,243	12,839,157	12.4	45,324	562,016				195.2	13,401,173
Environmental Services	93.5	45,929	4,293,785	11.0	40,276	443,040	2.1	45,929	94,615	106.5	4,831,439
Facility Support	114.9	49,945	5,738,976	9.0	63,093	567,840	2.3	49,945	116,871	126.2	6,423,687
Nutrition Services	75.3	45,512	3,425,019	5.0	41,600	208,000	2.1	45,512	93,300	82.3	3,726,319
Other	42.9	56,985	2,444,016							42.9	2,444,016
Revenue Cycle	74.0	54,186	4,010,380				2.7	54,186	143,592	76.7	4,153,972
Support Staff	45.6	54,543	2,485,495							45.6	2,485,495
										0.0	-
Rate Change for FTEs due to 1/2 year of inflation in FY2021									\$2,202,652		
<b>Total Support</b>	<b>722.2</b>	<b>\$ 57,854</b>	<b>\$ 41,784,716</b>	<b>37.4</b>	<b>\$ 47,618</b>	<b>\$ 1,780,896</b>	<b>14.2</b>	<b>\$ 210,934</b>	<b>\$ 2,995,270</b>	<b>773.8</b>	<b>\$46,560,881</b>
<b>REGULAR EMPLOYEES TOTAL</b>	<b>2,149.9</b>	<b>\$ 76,522</b>	<b>\$ 164,513,011</b>	<b>48.8</b>	<b>\$ 63,184</b>	<b>\$ 3,083,392</b>	<b>58.58</b>	<b>\$ 114,746</b>	<b>\$ 6,721,799</b>	<b>2,257.2</b>	<b>\$174,318,202</b>
<b>2. Contractual Employees</b>											
Administration (List general categories, add rows if needed)											
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
<b>Total Administration</b>			\$0			\$0			\$0	0.0	\$0
Direct Care Staff (List general categories, add rows if needed)											
Clinical Staff	114.0	\$153,582	\$17,508,312			\$0	-71.6	155,827	(11,158,745)	42.4	\$6,349,567
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
<b>Total Direct Care Staff</b>	<b>114.0</b>	<b>\$ 153,582</b>	<b>\$ 17,508,312</b>			<b>\$0</b>	<b>-71.6</b>	<b>\$ 155,827</b>	<b>\$(11,158,745)</b>	<b>42.4</b>	<b>\$6,349,567</b>
Support Staff (List general categories, add rows if needed)											
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
			\$0			\$0			\$0	0.0	\$0
<b>Total Support Staff</b>			\$0			\$0			\$0	0.0	\$0
<b>CONTRACTUAL EMPLOYEES TOTAL</b>	<b>114.0</b>	<b>\$ 153,582</b>	<b>\$ 17,508,312</b>	<b>0.0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-71.6</b>	<b>\$ 155,827</b>	<b>\$(11,158,745)</b>	<b>42.4</b>	<b>\$6,349,567</b>
Benefits (State method of calculating benefits below):											
% of Total Salaries			\$34,059,352								\$36,089,334
<b>TOTAL COST</b>	<b>2,263.9</b>		<b>\$216,080,675</b>	<b>48.8</b>		<b>\$3,083,392</b>	<b>-13.0</b>		<b>\$ (4,436,946)</b>		<b>\$216,757,103</b>

Exhibit 44

Revenue Assumptions by Entity  
 Projected Revenues for LTP  
 2019 - 2026

	CY 2020		CY 2021		CY 2022		CY 2023		CY 2024		CY 2025		CY 2026	
	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec
<b>Shady Grove Medical Center</b>														
<i>Global Update Assumptions:</i>														
Update Factor		2.36%		2.36%		2.36%		2.36%		2.36%		2.36%		2.36%
Age Adjusted Population Growth		-0.01%		-0.01%		-0.01%		-0.01%		-0.01%		-0.01%		-0.01%
PY Price Variance		0.33%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
Other Adjustments		-0.10%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
PY Quality Reversals		-0.17%		0.13%		0.13%		0.13%		0.13%		0.13%		0.13%
Current Year Quality		-0.13%		-0.13%		-0.13%		-0.13%		-0.13%		-0.13%		-0.13%
Other - Change in Markup		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
<b>Total</b>		<b>2.28%</b>		<b>2.35%</b>		<b>2.35%</b>		<b>2.35%</b>		<b>2.35%</b>		<b>2.35%</b>		<b>2.35%</b>
<b>Germantown Emergency Center</b>														
<i>Global Update Assumptions:</i>														
Update Factor		2.64%		2.64%		2.64%		2.64%		2.64%		2.64%		2.64%
Age Adjusted Population Growth		-0.42%		-0.42%		-0.42%		-0.42%		-0.42%		-0.42%		-0.42%
PY Price Variance		-2.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
<b>Total</b>		<b>0.16%</b>		<b>2.21%</b>		<b>2.21%</b>		<b>2.21%</b>		<b>2.21%</b>		<b>2.21%</b>		<b>2.21%</b>
Lourie Center	1%		1%		1%		1%		1%		1%		1%	
Radiation Oncology	1%		1%		1%		1%		1%		1%		1%	
Adventist Medical Group - Shady Grove	1%		1%		1%		1%		1%		1%		1%	
Adventist Medical Group - Behavioral Health	1%		1%		1%		1%		1%		1%		1%	

Exhibit 45

Shady Grove Medical Center  
 Reconciliation of CY to SFY GBR Calculations  
 2019 - 2026

SGMC GBR	CY 2019	CY 2020		CY 2021		CY 2022		CY 2023		CY 2024		CY 2025		CY 2026	
	Jan - Dec	Jan - June	SFY 2021		SFY 2022		SFY 2023		SFY 2024		SFY 2025		SFY 2026		
			July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec
<b>Gross Revenue:</b>															
Gross Charges	\$ 470,520,837	\$ 213,731,298	\$ 247,800,875	\$ 246,490,763	\$ 253,623,170	\$ 252,282,276	\$ 259,582,265	\$ 258,209,865	\$ 265,681,374	\$ 264,276,728	\$ 271,923,787	\$ 270,486,138	\$ 278,312,870	\$ 276,841,442	\$ 284,852,071
Stimulus Funds	\$ -	\$ 28,115,520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Pool (Payments)/Receipts	1,972,650	2,084,270	2,235,691	2,223,871	2,288,220	2,276,123	2,341,984	2,329,602	2,397,011	2,384,338	2,453,331	2,440,360	2,510,974	2,497,699	2,569,972
<b>Total SGMC</b>	<b>\$ 472,493,487</b>	<b>\$ 243,931,088</b>	<b>\$ 250,036,566</b>	<b>\$ 248,714,634</b>	<b>\$ 255,911,391</b>	<b>\$ 254,558,398</b>	<b>\$ 261,924,249</b>	<b>\$ 260,539,467</b>	<b>\$ 268,078,385</b>	<b>\$ 266,661,066</b>	<b>\$ 274,377,118</b>	<b>\$ 272,926,498</b>	<b>\$ 280,823,844</b>	<b>\$ 279,339,141</b>	<b>\$ 287,422,043</b>
<b>GEC GBR</b>	<b>CY 2019</b>	<b>CY 2020</b>		<b>CY 2021</b>		<b>CY 2022</b>		<b>CY 2023</b>		<b>CY 2024</b>		<b>CY 2025</b>		<b>CY 2026</b>	
	Jan - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec
Gross Revenue:															
Gross Charges	\$ 14,655,561	\$ 6,099,947	\$ 7,840,515	\$ 7,799,062	\$ 8,013,705	\$ 7,971,337	\$ 8,190,721	\$ 8,147,417	\$ 8,371,646	\$ 8,327,386	\$ 8,556,569	\$ 8,511,331	\$ 8,745,576	\$ 8,699,338	\$ 8,938,758
Stimulus Funds	\$ -	\$ 1,845,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Pool (Payments)/Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total GEC</b>	<b>\$ 14,655,561</b>	<b>\$ 7,945,674</b>	<b>\$ 7,840,515</b>	<b>\$ 7,799,062</b>	<b>\$ 8,013,705</b>	<b>\$ 7,971,337</b>	<b>\$ 8,190,721</b>	<b>\$ 8,147,417</b>	<b>\$ 8,371,646</b>	<b>\$ 8,327,386</b>	<b>\$ 8,556,569</b>	<b>\$ 8,511,331</b>	<b>\$ 8,745,576</b>	<b>\$ 8,699,338</b>	<b>\$ 8,938,758</b>
<b>Total GBR</b>	<b>CY 2019</b>	<b>CY 2020</b>		<b>CY 2021</b>		<b>CY 2022</b>		<b>CY 2023</b>		<b>CY 2024</b>		<b>CY 2025</b>		<b>CY 2026</b>	
	Jan - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec	Jan - June	July - Dec
<b>Gross Revenue:</b>															
Gross Charges	\$ 485,176,398	\$ 219,831,245	\$ 255,641,390	\$ 254,289,825	\$ 261,636,875	\$ 260,253,612	\$ 267,772,986	\$ 266,357,282	\$ 274,053,020	\$ 272,604,114	\$ 280,480,356	\$ 278,997,468	\$ 287,058,446	\$ 285,540,781	\$ 293,790,829
Stimulus Funds	\$ -	\$ 29,961,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Pool (Payments)/Receipts	1,972,650	2,084,270	2,235,691	2,223,871	2,288,220	2,276,123	2,341,984	2,329,602	2,397,011	2,384,338	2,453,331	2,440,360	2,510,974	2,497,699	2,569,972
<b>Total GBR</b>	<b>\$ 487,149,048</b>	<b>\$ 251,876,762</b>	<b>\$ 257,877,081</b>	<b>\$ 256,513,696</b>	<b>\$ 263,925,096</b>	<b>\$ 262,529,735</b>	<b>\$ 270,114,970</b>	<b>\$ 268,686,884</b>	<b>\$ 276,450,032</b>	<b>\$ 274,988,452</b>	<b>\$ 282,933,686</b>	<b>\$ 281,437,828</b>	<b>\$ 289,569,420</b>	<b>\$ 288,038,479</b>	<b>\$ 296,360,800</b>

## Exhibit 46

**TABLE E. PROJECT BUDGET**

**INSTRUCTION:** Estimates for Capital Costs (1.a-e), Financing Costs and Other Cash Requirements (2.a-g), and Working Capital Startup Costs (3) must reflect current costs as of the date of application and include all costs for construction and renovation. Explain the basis for construction cost estimates, renovation cost estimates, contingencies, interest during construction period, and inflation in an attachment to the application.

**NOTE:** Inflation should only be included in the Inflation allowance line A.1.e. The value of donated land for the project should be included on Line A.1.d as a use of funds and on line B.8 as a source of funds

	Hospital Building	CUP Upgrade	Total
<b>A. USE OF FUNDS</b>			
<b>1. CAPITAL COSTS</b>			
<b>a. New Construction</b>			
(1) Building	\$73,458,451	\$6,752,441	\$80,210,892
(2) Fixed Equipment	\$3,525,375	\$301,922	\$3,827,297
(3) Site and Infrastructure	\$10,150,141	\$408,005	\$10,558,146
(4) Architect/Engineering Fees	\$5,856,282	\$501,546	\$6,357,828
(5) Permits (Building, Utilities, Etc.)	\$2,158,953	\$184,898	\$2,343,851
<b>SUBTOTAL</b>	<b>\$95,149,202</b>	<b>\$8,148,812</b>	<b>\$103,298,014</b>
<b>b. Renovations</b>			
(1) Building	\$8,840,236	\$0	\$8,840,236
(2) Fixed Equipment (not included in construction)	\$0	\$0	\$0
(3) Architect/Engineering Fees	\$656,620	\$0	\$656,620
(4) Permits (Building, Utilities, Etc.)	\$242,067	\$0	\$242,067
<b>SUBTOTAL</b>	<b>\$9,738,923</b>	<b>\$0</b>	<b>\$9,738,923</b>
<b>c. Other Capital Costs</b>			
(1) Movable Equipment	\$3,629,400	\$200,000	\$3,829,400
(2) Contingency Allowance	\$11,997,789	\$849,381	\$12,847,170
(3) Gross interest during construction period	\$13,653,795	\$957,801	\$14,611,596
(4) Other (Specify/add rows if needed)			
a. Furniture	\$2,367,000	\$25,000	\$2,392,000
b. Interior & Exterior Signage	\$723,400	\$15,000	\$738,400
c. IS/Comm	\$6,615,000	\$50,000	\$6,665,000
d. Security system	\$1,250,000	\$15,000	\$1,265,000
e. Relocation expense	\$315,600	\$15,000	\$330,600
f. Certifications, inspections, etc.	\$189,360	\$25,000	\$214,360
<b>SUBTOTAL</b>	<b>\$40,741,344</b>	<b>\$2,152,182</b>	<b>\$42,893,526</b>
<b>TOTAL CURRENT CAPITAL COSTS</b>	<b>\$145,629,469</b>	<b>\$10,300,994</b>	<b>\$155,930,463</b>
<b>d. Land Purchase</b>			
<b>e. Inflation Allowance</b>			
	\$13,799,530	\$882,804	\$14,682,334
<b>TOTAL CAPITAL COSTS</b>	<b>\$159,428,999</b>	<b>\$11,183,798</b>	<b>\$170,612,797</b>
<b>2. Financing Cost and Other Cash Requirements</b>			
a. Loan Placement Fees	\$1,798,990	\$126,197	\$1,925,187
b. Bond Discount			\$0
<b>c. CON Application Assistance</b>			
c1. Legal Fees			\$0
c2. Other (Specify/add rows if needed)			
<b>d. Non-CON Consulting Fees</b>			
d1. Legal Fees			\$0
d2. Other (Specify/add rows if needed)			\$0
e. Debt Service Reserve Fund	\$6,986,996	\$486,379	\$7,473,375
f. Other (Specify/add rows if needed)			\$0
<b>SUBTOTAL</b>	<b>\$8,785,986</b>	<b>\$612,576</b>	<b>\$9,398,562</b>
<b>3. Working Capital Startup Costs</b>			
<b>TOTAL USES OF FUNDS</b>	<b>\$168,214,985</b>	<b>\$11,796,374</b>	<b>\$180,011,359</b>
<b>B. Sources of Funds</b>			
1. Cash	\$9,337,090	\$659,269	\$9,996,359
2. Philanthropy (to date and expected)	\$14,958,694	\$1,041,306	\$16,000,000
3. Authorized Bonds	\$143,919,200	\$10,095,800	\$154,015,000
4. Interest Income from bond proceeds listed in #3			\$0
5. Mortgage			\$0
6. Working Capital Loans			\$0
<b>7. Grants or Appropriations</b>			
a. Federal			\$0
b. State			\$0
c. Local			\$0
8. Other (Specify/add rows if needed)			\$0
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$168,214,984</b>	<b>\$11,796,375</b>	<b>\$180,011,359</b>
	<b>Hospital Building</b>	<b>CUP Upgrade</b>	<b>Total</b>
<b>Annual Lease Costs (if applicable)</b>			
1. Land			\$0
2. Building			\$0
3. Major Movable Equipment			\$0
4. Minor Movable Equipment			\$0
5. Other (Specify/add rows if needed)			\$0

\* Describe the terms of the lease(s) below, including information on the fair market value of the item(s), and the number of years, annual cost, and the interest rate for the lease.

**Shady Grove Medical Center Assumptions & Drivers**  
**Current State - No Inflation (Table G1)**

	Historical		Projection							
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027
<b>Volume Assumptions</b>										
SGMC Discharges	24,079	23,201	22,638	23,507	23,723	23,930	24,133	24,329	24,518	24,714
SGMC Days	113,676	112,197	111,572	112,783	113,110	113,395	113,648	113,864	114,044	114,195
SGMC ADC	311.44	306.55	304.84	308.99	309.89	310.67	310.51	311.96	312.45	312.86
SGMC ALOS	4.72	4.84	4.93	4.80	4.77	4.74	4.71	4.68	4.65	4.62
EIPA	40,838	39,412	38,425	39,900	40,267	40,618	40,962	41,294	41,615	41,948
EIPD	192,794	190,590	189,377	191,431	191,988	192,471	192,900	193,267	193,572	193,829
Adjusted Occupied Bed	528.2	522.2	517.4	524.5	526.0	527.3	528.5	529.5	530.3	531.0
Total ED Visits	65,518	69,052	49,738	68,535	69,084	69,636	70,193	70,755	71,321	71,892
b. Same-day Surgery	9,844	9,863	5,722	9,899	9,978	10,058	10,139	10,220	10,301	10,384
c. Laboratory	6,255	5,691	4,076	5,625	5,670	5,715	5,761	5,807	5,854	5,900
d. Imaging	2,753	2,009	1,078	2,048	2,065	2,081	2,098	2,115	2,131	2,149
e. Other - Germantown Emergency Center	24,211	23,418	16,920	23,688	23,878	24,069	24,261	24,455	24,651	24,848
e. Other - Partial Hospitalization Program	5,390	4,549	2,976	4,762	4,800	4,838	4,877	4,916	4,955	4,995
e. Other - Clinic	31,751	41,332	23,486	39,926	40,246	40,568	40,892	41,219	41,549	41,881
<b>TOTAL OUTPATIENT VISITS</b>	<b>145,722</b>	<b>155,914</b>	<b>103,996</b>	<b>154,483</b>	<b>155,719</b>	<b>156,965</b>	<b>158,221</b>	<b>159,486</b>	<b>160,762</b>	<b>162,048</b>
<b>7. Outpatient OBSERVATIONS**</b>										
a. Number of Patients	7,406	7,626	5,476	7,694	7,755	7,817	7,880	7,943	8,006	8,071
b. Hours	198,260	210,249	169,070	216,685	218,418	220,165	221,927	223,702	225,492	227,296
<b>Revenue Assumptions</b>										
IP Hospital Revenue	276,338,352	285,811,383	282,671,660	303,055,312	303,055,312	303,055,312	303,055,312	303,055,312	303,055,312	303,055,312
OP Hospital + GEC Revenue	192,329,870	199,698,415	197,120,936	211,335,465	211,335,465	211,335,465	211,335,465	211,335,465	211,335,465	211,335,465
<b>SGMC &amp; GEC</b>										
Gross GBR			475,472,635	509,931,215	509,931,215	509,931,215	509,931,215	509,931,215	509,931,215	509,931,215
Stimulus Funds			29,961,247	-	-	-	-	-	-	-
UCC Payments/Receipts			4,319,961	4,459,562	4,459,562	4,459,562	4,459,562	4,459,562	4,459,562	4,459,562
<b>Total Gross - GBR</b>			<b>509,753,843</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>	<b>514,390,777</b>
<b>Shady Grove Medical Center</b>										
<i>Global Update Assumptions:</i>										
Update Factor			2.36%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Age Adjusted Population Growth			-0.01%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
PY Price Variance			0.33%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Adjustments			-0.10%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
PY Quality Reversals			-0.17%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Year Quality			-0.13%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other - Change in Markup			<u>0.00%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
<b>Total</b>			<b>2.29%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Germantown Emergency Center</b>										
<i>Global Update Assumptions:</i>										
Update Factor			2.64%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Shady Grove Medical Center Assumptions & Drivers**  
**Current State - No Inflation (Table G1)**

	Historical		Projection								
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	
Age Adjusted Population Growth			-0.42%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
PY Price Variance			-2.00%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>			<b>0.16%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Other Revenue</b>											
Lourie Center											
<i>Inflation</i>				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Radiation Oncology											
<i>Inflation</i>				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adventist Medical Group - Shady Grove											
<i>Inflation</i>				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adventist Medical Group - Behavioral Health											
<i>Inflation</i>				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EIPA Factor ("Equivalent IP Admission")	1.6960	1.6987	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973
Other Operating Revenue	\$ 27,567,441	\$ 27,956,963	\$ 30,064,718	\$ 26,757,599	\$ 26,757,599	\$ 26,757,599	\$ 23,957,599	\$ 23,957,599	\$ 23,957,599	\$ 23,957,599	\$ 23,957,599
<i>Other Operating Revenue %</i>				-11.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<i>Other Operating Revenue Growth \$</i>							(2,800,000)				
Non-Operating Revenue			1,566,002	3,321,587	3,321,587	3,321,587	3,321,587	3,321,587	3,321,587	3,321,587	3,321,587
<i>Inflation</i>				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Expense Assumptions</b>											
Staff FTEs	2,173.62	2,207.64	2,149.91	2,184.94	2,191.29	2,196.80	2,201.71	2,205.89	2,209.37	2,212.30	2,212.30
FTEs per AOB	4.12	4.23	4.16	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17
Salary Inflation %				1.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
New Tower FTEs							48.8	48.8	48.8	48.8	48.8
New Tower Salary \$							1,541,696	3,083,392	3,083,392	3,083,392	3,083,392
Benefit %	21.6%	19.8%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%
Supply Inflation				3.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contract Labor Inflation				-29.25%	-10.00%	-12.00%	-5.00%	-6.50%	-8.00%	-10.00%	-10.00%
General & Administrative Inflation				8.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Professional Fees Inflation				6.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Building and Maintenance Inflation				-1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Building and Maintenance Inflation \$							(4,632,000)	1,700,000			
Insurance Inflation				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation and Amortization Inflation				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
IT Depreciation Inflation				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
IT Services Inflation				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Inflation				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other - Overhead Allocation Inflation				1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Purchased Services Inflation				1.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Project Interest Expense Inflation				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Project Interest Expense Inflation \$ - \$154,380,000 @ 4.5%							6,947,100	6,947,100	6,947,100	6,947,100	6,947,100
Project Depreciation							\$ 5,730,480	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433

**Shady Grove Medical Center Assumptions & Drivers**  
**Current State - No Inflation (Table G1)**

Project Depreciation Inflation

Historical		Projection							
CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027
			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Shady Grove Medical Center Assumptions & Drivers**  
**Current State - Inflation (Table H1)**

	Historical		Projection								
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
<b>Volume Assumptions</b>											
SGMC Discharges	24,079	23,201	22,638	23,507	23,723	23,930	24,133	24,329	24,518	24,714	24,912
SGMC Days	113,676	112,197	111,572	112,783	113,110	113,395	113,648	113,864	114,044	114,195	114,310
SGMC ADC	311.44	306.55	304.84	308.99	309.89	310.67	310.51	311.96	312.45	312.86	312.32
SGMC ALOS	4.72	4.84	4.93	4.80	4.77	4.74	4.71	4.68	4.65	4.62	4.59
EIPA	40,838	39,412	38,425	39,900	40,267	40,618	40,962	41,294	41,615	41,948	42,284
EIPD	192,794	190,590	189,377	191,431	191,988	192,471	192,900	193,267	193,572	193,829	194,024
Adjusted Occupied Bed	528.2	522.2	517.4	524.5	526.0	527.3	527.1	529.5	530.3	531.0	530.1
Total ED Visits	65,518	69,052	49,738	68,535	69,084	69,636	70,193	70,755	71,321	71,892	72,467
b. Same-day Surgery	9,844	9,863	5,722	9,899	9,978	10,058	10,139	10,220	10,301	10,384	10,467
c. Laboratory	6,255	5,691	4,076	5,625	5,670	5,715	5,761	5,807	5,854	5,900	5,948
d. Imaging	2,753	2,009	1,078	2,048	2,065	2,081	2,098	2,115	2,131	2,149	2,166
e. Other - Germantown Emergency Center	24,211	23,418	16,920	23,688	23,878	24,069	24,261	24,455	24,651	24,848	25,047
e. Other - Partial Hospitalization Program	5,390	4,549	2,976	4,762	4,800	4,838	4,877	4,916	4,955	4,995	5,035
e. Other - Clinic	31,751	41,332	23,486	39,926	40,246	40,568	40,892	41,219	41,549	41,881	42,216
<b>TOTAL OUTPATIENT VISITS</b>	<b>145,722</b>	<b>155,914</b>	<b>103,996</b>	<b>154,483</b>	<b>155,719</b>	<b>156,965</b>	<b>158,221</b>	<b>159,486</b>	<b>160,762</b>	<b>162,048</b>	<b>163,345</b>
<b>7. Outpatient OBSERVATIONS**</b>											
a. Number of Patients	7,406	7,626	5,476	7,694	7,755	7,817	7,880	7,943	8,006	8,071	8,135
b. Hours	198,260	210,249	169,070	216,685	218,418	220,165	221,927	223,702	225,492	227,296	229,114
<b>Revenue Assumptions</b>											
IP Hospital Revenue	276,338,352	285,811,383	282,671,660	306,618,524	313,809,684	321,169,518	328,701,982	336,411,125	344,301,092	352,376,124	360,640,564
OP Hospital Revenue	192,329,870	199,698,415	197,120,936	213,820,268	218,835,021	223,967,397	229,220,157	234,596,124	240,098,188	245,729,308	251,492,510
<b>SGMC &amp; GEC</b>											
Gross GBR			475,472,635	515,926,701	528,026,598	540,410,302	553,084,470	566,055,914	579,331,609	592,918,692	606,824,467
Stimulus Funds			29,961,247	-	-	-	-	-	-	-	-
UCC Payments/Receipts			4,319,961	4,512,091	4,618,107	4,726,613	4,837,669	4,951,334	5,067,670	5,186,740	5,308,606
<b>Total Gross - GBR</b>			<b>509,753,843</b>	<b>520,438,792</b>	<b>532,644,705</b>	<b>545,136,915</b>	<b>557,922,139</b>	<b>571,007,249</b>	<b>584,399,280</b>	<b>598,105,432</b>	<b>612,133,074</b>
<b>Shady Grove Medical Center</b>											
<i>Global Update Assumptions:</i>											
Update Factor			2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%
Age Adjusted Population Growth			-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%
PY Price Variance			0.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Adjustments			-0.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
PY Quality Reversals			-0.17%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%
Current Year Quality			-0.13%	-0.13%	-0.13%	-0.13%	-0.13%	-0.13%	-0.13%	-0.13%	-0.13%
Other - Change in Markup			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>			<b>2.29%</b>	<b>2.35%</b>	<b>2.35%</b>	<b>2.35%</b>	<b>2.35%</b>	<b>2.35%</b>	<b>2.35%</b>	<b>2.35%</b>	<b>2.35%</b>
<b>Germantown Emergency Center</b>											
<i>Global Update Assumptions:</i>											
Update Factor			2.64%	2.64%	2.64%	2.64%	2.64%	2.64%	2.64%	2.64%	2.64%
Age Adjusted Population Growth			-0.42%	-0.42%	-0.42%	-0.42%	-0.42%	-0.42%	-0.42%	-0.42%	-0.42%
PY Price Variance			-2.00%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>			<b>0.16%</b>	<b>2.21%</b>	<b>2.21%</b>	<b>2.21%</b>	<b>2.21%</b>	<b>2.21%</b>	<b>2.21%</b>	<b>2.21%</b>	<b>2.21%</b>
<b>Other Revenue</b>											
Lourie Center											
<i>Inflation</i>											
			1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

**Shady Grove Medical Center Assumptions & Drivers**  
Current State - Inflation (Table H1)

	Historical		Projection								
	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
Radiation Oncology Inflation				1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Adventist Medical Group - Shady Grove Inflation				1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Adventist Medical Group - Behavioral Health Inflation				1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
EIPA Factor ("Equivalent IP Admission")	1.6960	1.6987	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973	1.6973
Other Operating Revenue	\$ 27,567,441	\$ 27,956,963	\$ 30,064,718	\$ 27,058,246	\$ 27,599,411	\$ 28,151,399	\$ 25,914,427	\$ 26,432,716	\$ 26,961,370	\$ 27,500,598	\$ 28,050,610
Other Operating Revenue %				-10.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Other Operating Revenue Growth \$							(2,800,000)				
Non-Operating Revenue			1,566,002	3,321,587	3,404,627	3,489,742	3,576,986	3,666,411	3,758,071	3,852,023	3,948,323
Inflation				2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
<b>Expense Assumptions</b>											
Staff FTEs	2,173.62	2,207.64	2,149.91	2,184.94	2,191.29	2,196.80	2,195.69	2,205.89	2,209.37	2,212.30	2,208.49
FTEs per AOB	4.12	4.23	4.16	4.17	4.17	4.17	4.17	4.17	4.17	4.17	4.17
Salary Inflation %				2.65%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%
New Tower FTEs							48.8	48.8	48.8	48.8	48.8
New Tower Salary \$							1,541,696	3,083,392	3,083,392	3,083,392	3,083,392
Benefit %	21.6%	19.8%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%	20.7%
Supply Inflation				5.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Contract Labor Inflation				-28.50%	-8.50%	-10.50%	-3.50%	-5.00%	-6.50%	-8.50%	-10.50%
General & Administration Inflation				9.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Professional Fees Inflation				7.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Building and Maintenance Inflation				0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Building and Maintenance Inflation \$							(4,632,000)	1,700,000			
Insurance Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Depreciation and Amortization Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
IT Depreciation Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
IT Services Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Other - Overhead Allocation Inflation				2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Purchased Services Inflation				2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Project Interest Expense Inflation				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Project Interest Expense Inflation \$ - \$154,380,000 @ 4.5%							6,947,100	6,947,100	6,947,100	6,947,100	6,947,100
Project Depreciation							\$ 5,730,480	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433	\$ 6,251,433
Project Depreciation Inflation				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Exhibit 47

HSCRC Approved Annual Update Factors  
FY 2017 thru FY 2021

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>5 Year Average</u>
Update Factor	1.92%	2.68%	2.57%	2.96%	2.77%	
PAU Adjustment	<u>-0.65%</u>	<u>-0.20%</u>	<u>-0.30%</u>	<u>-0.30%</u>	<u>-0.28%</u>	
Net Update	1.27%	2.48%	2.27%	2.66%	2.49%	2.23%

Exhibit 48

Adventist HealthCare Shady Grove Medical Center

CON Application Affirmation

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief.

*Andrew R Nicklas*

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Andrew Nicklas  
Deputy General Counsel  
Adventist HealthCare

2/25/2021

Date

Adventist HealthCare Shady Grove Medical Center  
CON Application Affirmation

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief.



Daniel L. Cochran  
President  
Adventist HealthCare Shady Grove Medical Center

2/25/2021  
Date

Adventist HealthCare Shady Grove Medical Center

CON Application Affirmation

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief.



Maureen L. Dymond  
Vice President, Financial Operations  
Adventist HealthCare

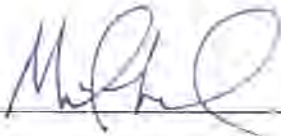


Date

Adventist HealthCare Shady Grove Medical Center

CON Application Affirmation

I hereby declare and affirm under the penalties of perjury that the facts stated in this application and its attachments are true and correct to the best of my knowledge, information, and belief.



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Mike Lukens  
Vice President and Chief Financial Officer  
Adventist HealthCare Shady Grove Medical Center

2/25/2021

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Date