

COMBINED STATEMENTS OF OPERATIONS (000s)

For the Nine-month Period Ending June 30, 2010

		CURRENT YEAR TO DATE			LAST YTD	
		ACTUAL	BUDGET	VARIANCE		
1	INPATIENT CHARGES	\$ 515,857	\$ 506,818	\$ 9,039	\$ 464,140	1
2	OUTPATIENT CHARGES	312,055	317,581	(5,527)	291,756	2
3	PATIENT CHARGES	\$ 827,912	\$ 824,400	\$ 3,512	\$ 755,896	3
4	CHARITY	(39,334)	(31,030)	(8,305)	(22,546)	4
5	REVENUE DEDUCTIONS	(423,844)	(425,540)	1,696	(375,196)	5
6	TOTAL DEDUCTIONS	(463,178)	(456,569)	(6,609)	(397,742)	6
7	NET PATIENT SERVICE REVENUE	\$ 364,733	\$ 367,830	\$ (3,097)	\$ 358,154	7
8	JOINT VENTURE REVENUE (NET)	2,298	2,790	(492)	2,836	8
9	GAIN/(LOSS) ON SALE OF ASSETS	489	1,500	(1,011)	(269)	9
10	OTHER OPERATING REVENUE	7,009	6,845	163	6,936	10
11	TOTAL REVENUES	\$ 374,530	\$ 378,965	\$ (4,436)	\$ 367,657	11
OPERATING EXPENSES:						
12	SALARIES	\$ 125,099	\$ 129,417	\$ 4,318	\$ 126,986	12
13	BENEFITS	62,351	62,686	335	61,918	13
14	PATIENT SUPPLIES	60,965	61,142	177	58,468	14
15	OTHER SUPPLIES	8,045	7,678	(367)	7,025	15
16	PURCHASED SERVICES	18,570	18,347	(224)	18,217	16
17	PROFESSIONAL FEES	2,598	2,885	287	3,265	17
18	RENT & UTILITIES	5,910	6,238	328	4,800	18
19	PROPERTY & CASUALTY INSURANCE	5,735	6,733	999	7,082	19
20	REPAIR & MAINTENANCE	6,618	7,622	1,004	5,784	20
21	OTHER	12,678	12,634	(44)	5,707	21
22	BAD DEBT	11,624	15,501	3,878	20,649	22
23	DEPRECIATION	20,597	21,491	894	18,932	23
24	INTEREST EXPENSE	10,335	11,461	1,126	11,564	24
25	TOTAL OPERATING EXPENSES	\$ 351,128	\$ 363,838	\$ 12,710	\$ 350,397	25
26	OPERATING INCOME	\$ 23,402	\$ 15,127	\$ 8,274	\$ 17,260	26
27	INVESTMENT INCOME (net of fees)	\$ 7,732	\$ 11,445	\$ (3,713)	(15,607)	27
28	NET FOUNDATION INCOME	(907)	(145)	(762)	(777)	28
29	OTHER NON-OPERATING INC (EXP)	(1,087)	(752)	(335)	(705)	29
30	LOSS ON BOND DEFEASANCE	(1,408)	-	(1,408)	(3,000)	30
31	INVESTMENT INCOME UNREALIZED	(7,683)	2,244	(9,927)	248	31
32	CHANGE IN MARKET VALUE-SWAPS	6,930	-	6,930	(13,621)	32
33	INCOME	\$ 26,979	\$ 27,920	\$ (941)	\$ (16,202)	33

Asante HEALTH SYSTEM

COMBINED BALANCE SHEETS (000s)

JUNE 2010

		CURRENT MONTH	LAST FISCAL YEAR END	INCREASE (DECREASE)	
ASSETS:					
CURRENT ASSETS:					
1	CASH-CHECKING/SWEEP ACCOUNTS	\$ 27,340	\$ 59,916	\$ (32,575)	1
2	PATIENT ACCOUNTS RECEIVABLE	184,895	151,780	33,114	2
3	ALLOWANCE FOR DOUBTFUL ACCTS	<u>(116,320)</u>	<u>(89,493)</u>	<u>(26,827)</u>	3
4	NET PATIENT ACCOUNTS RECEIVABLE	\$ 68,575	\$ 62,287	\$ 6,288	4
5	ACCRUED INTEREST & OTHER REC.	1,506	1,412	94	5
6	INVENTORIES	3,305	3,204	101	6
7	PREPAID EXPENSES	<u>5,488</u>	<u>2,323</u>	<u>3,164</u>	7
8	TOTAL CURRENT ASSETS:	<u>\$ 106,214</u>	<u>\$ 129,143</u>	<u>\$ (22,929)</u>	8
9	MARKETABLE SECURITIES	\$ 365,730	\$ 277,587	\$ 88,143	9
10	PROPERTY, PLANT & EQUIPMENT	537,967	529,388	8,579	10
11	ACCUMULATED DEPRECIATION	<u>(301,732)</u>	<u>(282,924)</u>	<u>(18,808)</u>	11
12	NET PROPERTY, PLANT & EQUIPMENT	\$ 236,235	\$ 246,464	\$ (10,228)	12
13	INVESTMENTS IN HEALTH CARE VENTURES	5,231	5,161	70	13
14	UNAMORTIZED BOND ISSUE COSTS	12,481	8,087	4,394	14
15	LAND HELD FOR FUTURE USE	12,234	12,234	-	15
16	OTHER ASSETS	<u>5,549</u>	<u>5,231</u>	<u>318</u>	16
17	TOTAL NON-CURRENT ASSETS	<u>\$ 637,460</u>	<u>\$ 554,763</u>	<u>\$ 82,697</u>	17
18	TOTAL ASSETS	<u>\$ 743,674</u>	<u>\$ 683,906</u>	<u>\$ 59,768</u>	18
LIABILITIES & NET ASSETS:					
CURRENT LIABILITIES:					
19	ACCOUNTS PAYABLE	\$ 7,943	\$ 11,047	\$ (3,104)	19
20	PAYROLL, PAYROLL TAXES & BENEFITS	18,938	22,111	(3,173)	20
21	SELF- INSURANCE RESERVES	10,305	8,584	1,721	21
22	EST REIMB DUE TO THIRD PARTIES	2,616	2,400	215	22
23	OTHER CURRENT LIABILITIES	12,159	5,251	6,908	23
24	CURRENT PORTION-LTD	<u>2,031</u>	<u>3,131</u>	<u>(1,100)</u>	24
25	TOTAL CURRENT LIABILITIES	<u>\$ 53,992</u>	<u>\$ 52,523</u>	<u>\$ 1,469</u>	25
LONG-TERM LIABILITIES:					
26	SWAP VALUATION	\$ -	\$ 36,534	(36,534)	26
27	SELF INSURANCE RESERVES	12,177	12,177	-	27
28	OTHER LONG TERM LIABILITIES	<u>1,101</u>	<u>1,190</u>	<u>(89)</u>	28
29	TOTAL LONG TERM LIABILITIES	<u>\$ 13,278</u>	<u>\$ 49,901</u>	<u>\$ (36,623)</u>	29
LONG TERM DEBT:					
30	1998 A BONDS: 26-YEAR FIXED RATE	\$ 25,632	\$ 25,630	2	30
31	2002 A BONDS: 13-YEAR FIXED RATE	2,209	2,209	-	31
32	2002 B BONDS: 32-YEAR AUCTION BONDS	84,525	85,025	(500)	32
33	2005 A BONDS: 35-YEAR FIXED RATE	68,110	70,000	(1,890)	33
34	2008 BONDS: 30-YEAR VRDB	-	101,600	(101,600)	34
35	2010 BONDS: 30-YEAR FIXED RATE	170,936	-	170,936	35
36	CAPITAL LEASES & OTHER LTD	<u>3,291</u>	<u>3,506</u>	<u>(215)</u>	36
37	TOTAL LONG TERM DEBT	<u>\$ 354,703</u>	<u>\$ 287,969</u>	<u>\$ 66,734</u>	37
38	TOTAL LONG-TERM DEBT & LIABILITIES	<u>\$ 367,982</u>	<u>\$ 337,871</u>	<u>\$ 30,111</u>	38
NET ASSETS:					
39	UNRESTRICTED	\$ 316,590	\$ 289,453	\$ 27,138	39
40	TEMPORARILY RESTRICTED	2,170	1,147	1,023	40
41	PERMANENTLY RESTRICTED	<u>2,940</u>	<u>2,913</u>	<u>27</u>	41
42	TOTAL NET ASSETS	<u>\$ 321,701</u>	<u>\$ 293,513</u>	<u>\$ 28,188</u>	42
43	TOTAL LIABILITIES & NET ASSETS	<u>\$ 743,674</u>	<u>\$ 683,906</u>	<u>\$ 59,767</u>	43