



February 20, 2017

RE: Officers Certificate for Jennie Stuart Medical Center  
Relating to the quarterly filing  
Issues Including:  
170692-CM7  
170692-CN5  
170692-CP0

I hereby certify that the "2016-12 - Jennie Stuart.PDF" filed on 2/24/17 constitutes the quarterly financial information required by the Continuing Disclosure Agreement. I further certify that the information complies with the Continuing Disclosure Agreement and the Rule as required. DAC shall be entitled to rely on this certificate.

If you have further questions about this matter, please do not hesitate to call.

Sincerely,

Greg Moore  
Chief Financial Officer

## Summary Income Statement

## Jennie Stuart Health Consolidated

31-Dec-16

<u>% Var</u>	<u>MTH Actual</u>	<u>MTH Budget</u>	<u>MTH Prior</u>		<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Prior</u>	<u>% Var</u>
2.9%	10,838,790	10,529,797	10,576,244	Revenue	125,973,334	117,493,173	118,387,527	7.2%
-3.3%	21,023,051	21,736,844	20,888,475	Inpatient Revenue	255,357,083	251,049,274	231,851,820	1.7%
-1.3%	31,861,841	32,266,641	31,464,718	Outpatient Revenue	381,330,417	368,542,447	350,239,348	3.5%
-54.1%	66,004	143,717	990,798	Total Patient Revenue	1,598,563	1,724,802	2,136,299	-7.3%
-1.5%	31,927,844	32,410,358	32,455,516	Other Revenue	382,928,979	370,267,249	352,375,647	3.4%
				Total Gross Revenue				
				Deductions from Revenue				
0.5%	21,043,681	20,938,901	18,762,293	Contractuals	246,299,607	239,264,692	225,023,128	2.9%
96.0%	(26,541)	(13,539)	4,872	Charity	(124,041)	(155,344)	(183,333)	-20.2%
-19.9%	486,286	607,389	1,691,172	Bad Debt Expense	5,374,125	6,951,738	7,192,079	-22.7%
-15.6%	522,415	619,180	412,409	Other	8,523,072	7,103,762	6,499,183	20.0%
-0.6%	22,025,841	22,151,931	20,870,746	Total Deductions	260,072,764	253,164,848	238,531,058	2.7%
-3.5%	9,902,003	10,258,427	11,584,770	Total Net Revenue	122,856,216	117,102,401	113,844,589	4.9%
				Operating Expense				
4.5%	4,182,796	4,004,550	4,092,967	Salaries & Wages	48,752,269	46,580,827	45,686,740	4.7%
-6.9%	709,526	762,220	1,218,164	Benefits	9,372,648	8,988,852	8,875,238	4.3%
-9.5%	343,119	379,192	553,482	Physician's Fees	4,906,836	4,550,282	4,955,113	7.8%
47.2%	1,359,993	923,709	1,210,069	Other Fees	13,508,384	11,084,431	11,650,079	21.9%
-14.3%	1,467,863	1,712,114	2,366,333	Supplies	21,942,443	19,853,850	20,812,633	10.5%
10.6%	251,345	227,356	282,725	Utilities	2,854,208	2,809,762	2,754,391	1.6%
-3.1%	616,019	635,629	795,536	Repairs & Maintenance	5,303,376	6,127,889	5,562,568	-13.5%
-9.3%	271,024	298,912	308,243	Leases & Rentals	3,389,181	3,586,988	2,997,882	-5.5%
359.8%	715,198	155,552	1,044,091	Insurance	3,240,583	1,866,756	2,648,912	73.6%
-55.8%	109,859	248,469	261,753	Interest Expense	2,959,814	2,981,650	3,024,369	-0.7%
-60.9%	14,141	36,131	29,056	Physician & Employee Recruitment	239,862	433,583	423,211	-44.7%
-47.6%	34,730	66,263	81,453	Advertising	607,615	795,024	583,354	-23.6%
-0.3%	153,747	154,163	169,340	Provider Tax	1,856,405	1,850,000	1,854,048	0.3%
24.1%	116,833	94,118	240,366	Other Expenses	1,049,891	1,132,052	1,582,332	-7.3%
6.7%	10,346,193	9,698,378	12,653,579	Operating Expenses	119,983,515	112,641,946	113,410,869	6.5%
-178.1%	(536,792)	687,640	(256,055)	Depreciation & Amortization	6,988,693	8,251,691	7,447,066	-15.3%
-5.6%	9,809,401	10,386,018	12,397,524	Total Operating Costs	126,972,208	120,893,637	120,857,935	5.0%
-172.6%	92,603	(127,591)	(812,754)	Net Operating Income (Loss)	(4,115,992)	(3,791,236)	(7,013,346)	8.6%
				Non-Operating Income (Expense)				
117.1%	235,290	108,383	313,051	Interest Income	1,832,693	1,300,662	2,117,184	40.9%
0.0%	0	0	0	ASC Gain (Loss)	0	0	0	
0.0%	0	0	0	Physicians Holdings, LLC	0	0	0	#DIV/0!
-82.9%	2,273	13,269	0	Donations/Equipment Sales	182,110	159,272	159,968	
95.3%	237,563	121,652	313,051	Total Other Income	2,014,803	1,459,934	2,277,152	38.0%
-5659.3%	330,165	(5,939)	(499,703)	Excess of Revenues over Expenses	(2,101,189)	(2,331,302)	(4,736,194)	-9.9%
				Bond Conversion Costs	0	0	0	0.0%
0.0%	314,243	0	(738,553)	Unrealized Gain (Loss) Valuation	3,257,754	0	(2,076,157)	0.0%
0.0%	0	0	(62,395)	Change in Fair Value of Interest Rate Swap	(577)	0	775,866	0.0%
0.0%	(5,794,872)	0	0	Loss on Bond Refunding	(5,794,872)	0	0	0.0%
0.0%	0	0	0	Temp Restricted Funds Released	0	0	0	0.0%
86622.7%	(5,150,464)	(5,939)	(1,300,651)	Inc (Dec) in Unrestricted Net Assets	(4,638,884)	(2,331,302)	(6,036,486)	99.0%

**Jennie Stuart Health Consolidated**  
**Balance Sheet**  
**December 31, 2016**

<b>YTD Prior Period</b>	<b>Month Change</b>	<b>Current Period</b>		<b>Beginning Balance</b>	<b>YTD Change</b>	<b>Current Period</b>
<b>Current Assets</b>						
55,492,925	(7,139,621)	48,353,304	Cash and Investments	47,037,312	1,315,992	48,353,304
2,199,767	0	2,199,767	Assets Limited as to Use-Current	2,199,767	0	2,199,767
56,301,411	(1,716,250)	54,585,161	Accounts Receivable	59,514,886	(4,929,724)	54,585,161
(44,304,438)	1,165,291	(43,139,147)	Less Allowance for Uncollectibles	(47,123,096)	3,983,949	(43,139,147)
11,996,973	(550,959)	11,446,014	Net Patient Accounts Receivable	12,391,790	(945,775)	11,446,014
9,916,499	81,569	9,998,068	Other Accounts Receivable	11,337,628	(1,339,560)	9,998,068
1,418,577	156,119	1,574,696	Inventories	1,624,869	(50,173)	1,574,696
932,895	(91,770)	841,126	Prepaid Expenses	1,381,915	(540,790)	841,126
<b>81,957,636</b>	<b>(7,544,661)</b>	<b>74,412,975</b>	<b>Total Current Assets</b>	<b>75,973,280</b>	<b>(1,560,306)</b>	<b>74,412,975</b>
15,331,021	10,616,023	25,947,044	Limited Use Assets	14,441,859	11,505,185	25,947,044
(2,199,767)	0	(2,199,767)	Less Required for Current Obligation	(2,199,767)	0	(2,199,767)
7,345,436	0	7,345,436	Land	5,706,322	1,639,115	7,345,436
178,640,725	476,702	179,117,427	Plant and Equipment	176,804,279	2,313,147	179,117,427
(123,955,559)	1,143,993	(122,811,566)	Accumulated Depreciation	(117,103,903)	(5,707,663)	(122,811,566)
991,926	(789,038)	202,887	Construction in Progress	577,606	(374,719)	202,887
8,783,807	(314,577)	8,469,230	Non-Current Assets	11,333,287	(2,864,056)	8,469,230
<b>166,895,225</b>	<b>3,588,441</b>	<b>170,483,666</b>	<b>Total Assets</b>	<b>165,532,963</b>	<b>4,950,703</b>	<b>170,483,666</b>
<b>Current Liabilities</b>						
5,830,407	(231,729)	5,598,678	Accounts Payable	5,291,928	306,750	5,598,678
2,663,330	0	2,663,330	Payable to Third Party Payors	2,260,735	402,594	2,663,330
26,770,364	(2,702,872)	24,067,493	Other Payables	24,808,239	(740,746)	24,067,493
<b>35,264,101</b>	<b>(2,934,601)</b>	<b>32,329,500</b>	<b>Total Current Liabilities</b>	<b>32,360,902</b>	<b>(31,402)</b>	<b>32,329,500</b>
0	0	0	Fair Value of Interest Rate Swap	0	0	0
0	0	0	Pension Payable	0	0	0
58,784,460	11,664,344	70,448,804	Long Term Debt	60,867,990	9,580,814	70,448,804
<b>94,048,560</b>	<b>8,729,744</b>	<b>102,778,304</b>	<b>Total Liabilities</b>	<b>93,228,892</b>	<b>9,549,412</b>	<b>102,778,304</b>
<b>Equity</b>						
72,335,086	9,161	72,344,247	Fund Balance-Beginning of they Pd/Yr	72,304,071	40,176	72,344,247
511,579	(5,150,464)	(4,638,885)	Change in Net Assets	0	(4,638,885)	(4,638,885)
72,846,665	(5,141,303)	67,705,362	Total Equity	72,304,071	(4,598,709)	67,705,362
<b>166,895,225</b>	<b>3,588,441</b>	<b>170,483,666</b>	<b>Total Liabilities and Net Worth</b>	<b>165,532,963</b>	<b>4,950,703</b>	<b>170,483,666</b>

**Jennie Stuart Medical Center  
Statistical Indicator Report  
December 31, 2016**

<b>Current Month</b>			<b><u>Facility Utilization</u></b>	<b>Year to Date</b>		
<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Prior</u></b>	<b><u>INPATIENT</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Prior</u></b>
194	194	194	Total Beds Licensed	194	194	194
139	139	139	Total Beds in Service	139	139	139
425	420	412	Acute Inpatient admissions	4,796	4,703	4,799
3.74	3.82	3.71	Acute Average Length of Stay	3.87	3.82	3.80
1,578	1,604	1,546	Acute Total Patient Days	18,658	17,964	18,096
50.9	51.7	49.9	Average Daily Census	51.0	49.1	49.6
36.6%	37.2%	35.9%	Total % Occupancy	36.7%	35.3%	35.7%
43.3%	45.6%	46.2%	% Medicare Utilization	46.7%	48.0%	48.7%
22.7%	23.3%	23.5%	% Medicaid Utilization	22.1%	23.7%	24.0%
1.2120		1.5983	Medicare Case Mix Index	1.4272		1.4230
1.1775		1.2751	Total Case Mix Index	1.2227		1.2081
			<b><u>OUTPATIENT</u></b>			
1,158	1,192	1,133	Adjusted Admissions	13,472	13,723	13,284
4,298	4,552	4,252	Adjusted Patient Days	52,411	52,418	50,090
138.6	146.8	137.2	Average Daily Adjusted Patient Days	143.2	143.2	137.2
87.7	95.1	87.3	Average Outpatient Equivalent Days	92.2	94.1	87.7
63.3%	64.8%	63.6%	% of O/P Revenue to Patient Revenue	64.4%	65.7%	63.9%
			<b><u>ER, SURGERY, BIRTHS</u></b>			
2,939	2,984	2,922	Emergency Room Visits	35,064	34,756	34,512
107	109	106	Inpatient Surgeries	1,222	1,229	1,120
309	262	300	Outpatient Surgeries	3,546	3,051	3,121
254	325	356	Ambulatory Surgery Campus Cases	3,477	3,789	3,691
67	64	67	Births	754	713	723
			<b><u>PRODUCTIVITY</u></b>			
688.3	659.6	668.5	Hospital Employed Paid FTE's	682.1	659.6	663.7
50.3	44.5	48.9	Contract FTE's	48.9	44.5	44.7
738.6	704.2	717.4	Total Full-Time Equivalent Employees	730.9	704.2	708.4
5.3	4.8	5.2	Total FTE's Per Adjusted Occupied Bed	5.1	4.9	5.2
112.7	104.4	111.8	Total Paid Manhours Per Adjusted Admission	113.2	107.0	110.9
42.0%	38.5%	35.2%	Salaries & Wages % of Net Patient Revenue (including contract labor)	39.3%	39.7%	39.6%
23.7%	21.3%	38.5%	Benefits % of Salary Expenses	22.0%	21.3%	22.5%
			<b><u>PROFITABILITY</u></b>			
10.0%	3.7%	3.1%	Net Operating Margin %	3.3%	1.9%	1.3%
12.6%	5.0%	5.9%	Total Margin %	5.1%	3.2%	3.4%
7.9%	15.0%	5.6%	EBIDA %	13.9%	13.7%	13.0%
			<b><u>LIQUIDITY</u></b>			
51.9	62.9	53.5	Gross Days in Accounts Receivable	53.0	62.9	54.9
32.3	60.1	36.1	Net to Net A/R Days	34.9	60.1	38.4
168.5	181.9	155.3	Days Cash on Hand	174.3	181.9	181.4
4.3	5.3	3.9	Current Ratio	4.3	5.3	3.9
			<b><u>OTHER</u></b>			
69.5%	69.4%	65.7%	Revenue Deductions % of Total Patient Revenue	68.8%	69.4%	68.4%
1.5%	1.9%	5.8%	Bad Debt % of Total Patient Revenue	1.4%	1.9%	2.2%
-0.1%	0.0%	0.0%	Charity % of Total Patient Revenue	0.0%	0.0%	-0.1%
15.0%	17.8%	22.8%	Supply Expense % of Net Patient Revenue	19.0%	18.1%	19.4%