

Conway Medical Center
Quarterly/Monthly Financial Filing Requirements

Table 5

Hospital Utilization		1st Quarter of FY 2017 and the Month of December 2016		
	Dec. 2016	Dec. 2015	3 Months Ending Dec.2016(FY 2017)	3 Months Ending Dec. 2015(FY. 2016)
Licensed	210	210		210
Staffed	168	168		168
Discharges	784	774	2226	2273
Observation Patients	454	519	1163	1221
Patient Days	2863	2737	8346	8503
Average Length of Stay	3.76	3.59	3.76	3.76
Average Daily Census	92.35	88.29	90.72	92.42
Percent Occupancy (staffed beds)	55	52.6	54	55
Outpatient Visits	10035	10095	29877	30246
Emergency Room Visits	4786	4997	14154	14600
Operating Room Cases	198	226	626	728
Outpatient Surgeries	402	340	1066	976
Total FTEs	945	897	927	920
Medicare Case Mix Index	1.44	1.49	1.56	1.51

Table 6

Patient Revenue Sources		1st Quarter FY 2017 and Month of December 2016		
(percentages)				
	Dec. 2016	Dec. 2015	3 Months Ending Dec.2016(FY 2017)	3 Months Ending Dec. 2015(FY. 2016)
Insurance (Including Blue Cross)	19.21%	18.65%	17.85%	16.49%
HMO/PPO	6.56%	5.72%	6.67%	6.71%
Medicare	48.32%	45.99%	48.39%	46.74%
Medicaid	15.43%	15.97%	15.44%	17.18%
Self Pay	9.83%	11.55%	10.21%	10.97%
Other	0.65%	2.12%	1.44%	1.91%
Totals	100.00%	100.00%	100.00%	100.00%

Tables 7 & 8 Please see attached Income Statements and Balance Sheets for the months of Dec. 2016 and Dec. 2015 and the 3 month period endings of Dec. 2016 and Dec. 2015

**CONWAY MEDICAL CENTER AND AFFILIATES
BALANCE SHEET
AS OF DECEMBER 2016**

	CMC	KNC	CHAPS	CHEPS	COMBINED TOTAL
	<u>DEC 2016</u>	<u>DEC 2016</u>	<u>DEC 2016</u>	<u>DEC 2016</u>	<u>DEC 2016</u>
ASSETS					
CURRENT ASSETS:					
Cash	6,613,084	207,123	135,559	608,852	7,564,619
Investments	0	0	0	0	0
Net accounts receivable	14,720,895	939,815	320,309	409,325	16,390,343
Due from third parties	0	0	0	0	0
Inventory	3,538,382	20,035	0	0	3,558,417
Miscellaneous	2,723,396	21,347	0	0	2,744,743
Funded Depreciation	217,128,140	0	0	0	217,128,140
Trusted funds	(0)	0	0	0	(0)
Total current assets	244,723,896	1,188,320	455,868	1,018,177	247,386,261
PROPERTY, PLANT & EQUIPMENT					
Land	8,150,053	653,562	0	0	8,803,615
Buildings	106,122,087	2,862,747	0	0	108,984,834
Equipment	110,529,322	1,853,010	0	0	112,382,332
Construction in progress	6,345,381	0	0	0	6,345,381
	231,146,844	5,369,318	0	0	236,516,162
Less: Accumulated depreciation	(119,480,610)	(4,150,092)	0	0	(123,630,702)
	111,666,234	1,219,226	0	0	112,885,460
OTHER ASSETS:					0
Deferred charge	808,197	0	0	0	808,197
Beneficial Interest in Assets Held by Others	1,612,384	0	0	0	1,612,384
Due from affiliates	80,132,180	0	0	0	80,132,180
Investments in affiliates	3,455,544	0	0	0	3,455,544
Investments	2,003,726	0	0	0	2,003,726
Total other assets	88,012,031	0	0	0	88,012,031
TOTAL ASSETS	444,402,161	2,407,546	455,868	1,018,177	448,283,751
LIABILITIES & FUND BALANCE					
CURRENT LIABILITIES:					
Trade accounts payable	6,317,446	36,834	11,763	511,681	6,877,725
Accrued expense payable	7,745,110	537,361	458,732	0	8,741,203
Interest payable	(13,096)	0	0	0	(13,096)
Due to Third Parties	5,005,538	134,738	0	0	5,140,276
Margin loan payable	0	0	0	0	0
Long term debt-current portion	4,269,544	0	0	0	4,269,544
Total	23,324,541	708,933	470,496	511,681	25,015,651
DEFERRED REVENUE	491,730	0	0	0	491,730
LONG TERM DEBT					
Bonds Payable	63,013,160	3,110,000	0	0	66,123,160
Long Term Notes Payable					
Due to Conway Hospital		142,012	19,515,579	3,449,421	23,107,012
TOTAL LIABILITIES	86,829,432	3,960,945	19,986,075	3,961,102	114,737,554
FUND BALANCE					
Fund Balance/ Capital	351,696,191	(1,481,789)	(18,901,262)	(2,263,702)	329,049,438
Fund Balance Perm. Restricted	915,042				915,042
Fund Balance Temp. Restricted	697,342				697,342
Retained earnings/Net income	4,264,158	(71,611)	(628,945)	(679,223)	2,884,380
	357,572,732	(1,553,399)	(19,530,207)	(2,942,925)	333,546,201
TOTAL LIABILITIES & FUND BALANCE	444,402,162	2,407,546	455,868	1,018,177	448,283,753

**CONWAY MEDICAL CENTER AND AFFILIATES
BALANCE SHEET
AS OF DECEMBER 2015**

	CMC	KNC	CHAPS	CHEPS	COMBINED TC
	<u>DEC</u> <u>2015</u>	<u>DEC</u> <u>2015</u>	<u>DEC</u> <u>2015</u>	<u>DEC</u> <u>2015</u>	<u>DEC</u> <u>2015</u>
ASSETS					
CURRENT ASSETS:					
Cash	10,582,006	420,727	189,002	465,716	11,657,452
Investments	0	0	0	0	0
Net accounts receivable	15,275,143	870,030	221,877	424,061	16,791,111
Due from third parties	0	0	0	0	0
Inventory	3,338,051	20,592	0	0	3,358,643
Miscellaneous	2,874,691	30,080	0	0	2,904,771
Funded Depreciation	214,709,670	0	0	0	214,709,670
Trusted funds	12,194,676	0	0	0	12,194,676
Total current assets	258,974,237	1,341,429	410,880	889,777	261,616,322
PROPERTY, PLANT & EQUIPMENT					
Land	8,304,645	653,562	0	0	8,958,207
Buildings	98,904,416	2,862,747	0	0	101,767,163
Equipment	97,248,450	1,822,279	0	0	99,070,729
Construction in progress	586,723	0	0	0	586,723
	205,044,234	5,338,587	0	0	210,382,821
Less: Accumulated depreciation	(113,752,111)	(4,075,653)	0	0	(117,827,764)
	91,292,123	1,262,935	0	0	92,555,058
OTHER ASSETS:					
Deferred charge	867,068	0	0	0	867,068
Beneficial Interest in Assets Held by Others	1,619,768	0	0	0	1,619,768
Due from affiliates	71,189,289	0	0	0	71,189,289
Investments in affiliates	3,455,544	0	0	0	3,455,544
Investments	1,611,930	0	0	0	1,611,930
Total other assets	78,743,599	0	0	0	78,743,599
TOTAL ASSETS	429,009,959	2,604,363	410,880	889,777	432,914,979
LIABILITIES & FUND BALANCE					
CURRENT LIABILITIES:					
Trade accounts payable	5,672,560	37,082	4,416	39,179	5,753,238
Accrued expense payable	6,700,707	487,059	457,715	0	7,645,480
Interest payable	2	0	0	0	2
Due to Third Parties	4,093,485	134,819	0	0	4,228,304
Margin loan payable	0	0	0	0	0
Long term debt-current portion	4,152,139	0	0	0	4,152,139
Total	20,618,893	658,960	462,130	39,179	21,779,162
DEFERRED REVENUE	491,730	0	0	0	491,730
LONG TERM DEBT					
Bonds Payable	68,511,536	3,110,000	0	0	71,621,536
Long Term Notes Payable		482,993	17,120,879	2,482,055	20,085,926
Due to Conway Hospital					
TOTAL LIABILITIES	89,622,158	4,251,953	17,583,009	2,521,234	113,978,354
FUND BALANCE					
Fund Balance/ Capital	329,380,686	(1,828,058)	(16,674,345)	(1,128,632)	309,749,652
Fund Balance Perm. Restricted	896,373				896,373
Fund Balance Temp. Restricted	723,395				723,395
Retained earnings/Net income	8,387,348	180,468	(497,785)	(502,825)	7,567,206
	339,387,803	(1,647,590)	(17,172,130)	(1,631,457)	318,936,626
TOTAL LIABILITIES & FUND BALANCE	429,009,959	2,604,363	410,879	889,777	432,914,978

CONWAY MEDICAL CENTER AND AFFILIATES
STATEMENT OF REVENUES AND EXPENSES
FOR THE MONTH OF DECEMBER 2016 AND
THE THREE MONTHS ENDING DECEMBER 31, 2016

	Year to Date				
	CMC	KNC	APS	EPS	Total
PATIENT SERVICE REVENUE:					
Inpatient routine	16,243,082	1,946,897	0	0	18,189,979
Inpatient ancillary	49,943,339	1,194,682	711,608	2,002,644	53,852,273
Outpatient	79,519,285	9,935	1,006,710	5,688,003	86,223,933
TOTAL	145,705,706	3,151,514	1,718,319	7,690,647	158,266,186
DEDUCTIONS FROM REVENUE:					
Contractual adjustments	94,151,402	1,306,862	1,138,554	4,081,282	100,678,100
Indigent care	3,997,587	17,580	16,152	93,757	4,125,076
Bad Debt	10,728,096	0	113,016	2,152,469	12,993,581
TOTAL	108,877,085	1,324,442	1,267,722	6,327,508	117,796,757
NET PATIENT REVENUE	36,828,621	1,827,072	450,597	1,363,139	40,469,429
OTHER OPERATING REVENUE	621,671	8,099	0	0	629,770
TOTAL OPERATING REVENUE	37,450,292	1,835,171	450,597	1,363,139	41,099,199
EXPENSES:					
Salaries and Benefits	17,496,947	1,391,190	941,490	0	19,829,627
Professional Fees	1,203,231	15,375	0	1,924,160	3,142,766
Supplies and Other	13,791,697	445,459	138,049	118,203	14,493,408
Interest	557,343	23,517	0	0	580,860
Depreciation	2,403,340	31,276	0	0	2,434,616
TOTAL	35,452,558	1,906,817	1,079,539	2,042,363	40,481,277
NET GAIN FROM OPERATIONS	1,997,734	(71,645)	(628,942)	(679,224)	617,922
NON-OPERATING REVENUES:					
JOINT VENTURES & LLC'S					
Community Medical Center	0	0	0	0	0
Carolina Bone & Joint Surgery Center	0	0	0	0	0
ASC Holdings	0	0	0	0	0
MPI - VP	0	0	0	0	0
TOTAL	0	0	0	0	0
Other Non-Operating Revenues	545,100	31	0	0	545,131
Unrealized Gain/Loss on Investments	273,232	0	0	0	273,232
Realized Gain/Loss on Investments	0	0	0	0	0
Foundation Donations	0	0	0	0	0
Medicaid Disproportionate Share	1,448,101	0	0	0	1,448,101
Prior Year Adjustment	0	0	0	0	0
NET GAIN	4,264,167	(71,614)	(628,943)	(679,225)	2,884,385

**CONWAY MEDICAL CENTER AND AFFILIATES
STATEMENT OF REVENUES AND EXPENSES
FOR THE MONTH OF DECEMBER 2015 AND
THE THREE MONTHS ENDING DECEMBER 31, 2015**

	Year to Date				
	CMC	KNC	APS	EPS	Total
PATIENT SERVICE REVENUE:					
Inpatient routine	15,846,461	1,929,154	0	0	17,775,615
Inpatient ancillary	52,370,866	1,145,314	779,417	2,232,196	56,527,793
Outpatient	75,840,045	6,283	891,402	6,339,989	83,077,719
TOTAL	144,057,372	3,080,751	1,670,819	8,572,185	157,381,127
DEDUCTIONS FROM REVENUE:					
Contractual adjustments	90,212,747	1,191,619	1,147,201	5,192,587	97,744,154
Indigent care	5,520,329	9,737	21,036	260,967	5,812,069
Bad Debt	10,361,890	0	1,421	2,172,870	12,536,181
TOTAL	106,094,966	1,201,356	1,169,658	7,626,424	116,092,404
NET PATIENT REVENUE	37,962,406	1,879,395	501,161	945,761	41,288,723
OTHER OPERATING REVENUE	582,844	8,128	0	0	590,972
TOTAL OPERATING REVENUE	38,545,250	1,887,523	501,161	945,761	41,879,695
EXPENSES:					
Salaries and Benefits	16,388,612	1,253,349	943,286	0	18,585,247
Professional Fees	1,329,116	9,150	0	1,317,480	2,655,746
Supplies and Other	13,144,881	389,129	55,657	131,106	13,720,773
Interest	605,845	23,517	0	0	629,362
Depreciation	2,160,193	31,911	0	0	2,192,104
TOTAL	33,628,647	1,707,056	998,943	1,448,586	37,783,232
NET GAIN FROM OPERATIONS	4,916,603	180,468	(497,782)	(502,825)	4,096,463
NON-OPERATING REVENUES:					
JOINT VENTURES & LLC'S					
Community Medical Center	0	0	0	0	0
Carolina Bone & Joint Surgery Center	0	0	0	0	0
ASC Holdings	0	0	0	0	0
MPI - VP	0	0	0	0	0
TOTAL	0	0	0	0	0
Other Non-Operating Revenues	882,715	0	0	0	882,715
Unrealized Gain/Loss on Investments	1,486,190	0	0	0	1,486,190
Realized Gain/Loss on Investments	0	0	0	0	0
Foundation Donations	0	0	0	0	0
Medicaid Disproportionate Share	1,101,844	0	0	0	1,101,844
Prior Year Adjustment	0	0	0	0	0
NET GAIN	8,387,352	180,468	(497,783)	(502,825)	7,567,211

CONWAY MEDICAL CENTER AND AFFILIATES
STATEMENT OF REVENUES AND EXPENSES
FOR THE MONTH OF DECEMBER 2016 AND
THE THREE MONTHS ENDING DECEMBER 31, 2016

	Current Period				
	CMC	KNC	APS	EPS	Total
PATIENT SERVICE REVENUE:					
Inpatient routine	5,579,033	650,498	0	0	6,229,531
Inpatient ancillary	17,128,470	380,630	233,718	624,773	18,367,591
Outpatient	<u>27,944,422</u>	<u>1,949</u>	<u>360,845</u>	<u>1,774,508</u>	<u>30,081,724</u>
TOTAL	50,651,925	1,033,077	594,563	2,399,281	54,678,846
DEDUCTIONS FROM REVENUE:					
Contractual adjustments	33,802,504	416,179	410,376	1,417,951	36,047,010
Indigent care	1,188,258	4,198	6,775	(5,133)	1,194,098
Bad Debt	4,019,016	0	3,717	549,736	4,572,469
TOTAL	39,009,778	420,377	420,868	1,962,554	41,813,577
NET PATIENT REVENUE	11,642,147	612,700	173,695	436,727	12,865,269
OTHER OPERATING REVENUE	<u>189,312</u>	<u>3,810</u>	<u>0</u>	<u>0</u>	<u>193,122</u>
TOTAL OPERATING REVENUE	11,831,459	616,510	173,695	436,727	13,058,391
EXPENSES:					
Salaries and Benefits	6,075,448	468,561	323,933	0	6,867,942
Professional Fees	343,734	7,200	0	971,880	1,322,814
Supplies and Other	4,450,224	155,789	37,006	25,545	4,668,564
Interest	176,014	7,924	0	0	183,938
Depreciation	<u>803,041</u>	<u>10,430</u>	<u>0</u>	<u>0</u>	<u>813,471</u>
TOTAL	11,848,461	649,904	360,939	997,425	13,856,729
NET GAIN FROM OPERATIONS	(17,002)	(33,394)	(187,244)	(560,698)	(798,338)
NON-OPERATING REVENUES:					
JOINT VENTURES & LLC'S					
Community Medical Center	0	0	0	0	0
Carolina Bone & Joint Surgery Center	0	0	0	0	0
ASC Holdings	0	0	0	0	0
MPI - VP	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	0	0	0	0	0
Other Non-Operating Revenues	230,379	31	0	0	230,410
Unrealized Gain/Loss on Investments	1,369,669	0	0	0	1,369,669
Realized Gain/Loss on Investments	0	0	0	0	0
Foundation Donations	0	0	0	0	0
Medicaid Disproportionate Share	405,171	0	0	0	405,171
Prior Year Adjustment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET GAIN	<u>1,988,217</u>	<u>0</u>	<u>(33,363)</u>	<u>(187,244)</u>	<u>(560,698)</u>
					<u>1,206,912</u>

**CONWAY MEDICAL CENTER AND AFFILIATES
STATEMENT OF REVENUES AND EXPENSES
FOR THE MONTH OF DECEMBER 2015 AND
THE THREE MONTHS ENDING DECEMBER 31, 2015**

	Current Period				
	CMC	KNC	APS	EPS	Total
PATIENT SERVICE REVENUE:					
Inpatient routine	5,149,702	618,621	0	0	5,768,323
Inpatient ancillary	17,090,074	362,767	248,006	804,051	18,504,898
Outpatient	<u>25,864,917</u>	<u>1,663</u>	<u>259,302</u>	<u>2,283,704</u>	<u>28,209,586</u>
TOTAL	47,904,693	983,051	507,308	3,087,755	52,482,807
DEDUCTIONS FROM REVENUE:					
Contractual adjustments	30,269,463	392,613	331,347	1,501,188	32,494,611
Indigent care	1,180,086	(1,513)	4,338	178,927	1,361,838
Bad Debt	<u>3,987,025</u>	<u>0</u>	<u>10,645</u>	<u>870,698</u>	<u>4,868,368</u>
TOTAL	35,436,574	391,100	346,330	2,550,813	38,724,817
NET PATIENT REVENUE	12,468,119	591,951	160,978	536,942	13,757,990
OTHER OPERATING REVENUE	<u>164,137</u>	<u>2,945</u>	<u>0</u>	<u>0</u>	<u>167,082</u>
TOTAL OPERATING REVENUE	12,632,256	594,896	160,978	536,942	13,925,072
EXPENSES:					
Salaries and Benefits	5,511,687	406,755	310,980	0	6,229,422
Professional Fees	388,921	1,150	0	443,890	833,961
Supplies and Other	4,240,218	119,971	17,635	60,658	4,438,482
Interest	201,078	7,924	0	0	209,002
Depreciation	<u>727,240</u>	<u>10,620</u>	<u>0</u>	<u>0</u>	<u>737,860</u>
TOTAL	11,069,144	546,420	328,615	504,548	12,448,727
NET GAIN FROM OPERATIONS	1,563,112	48,476	(167,637)	32,394	1,476,345
NON-OPERATING REVENUES:					
JOINT VENTURES & LLC'S					
Community Medical Center	0	0	0	0	0
Carolina Bone & Joint Surgery Center	0	0	0	0	0
ASC Holdings	0	0	0	0	0
MPI - VP	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	0	0	0	0	0
Other Non-Operating Revenues	375,321	0	0	0	375,321
Unrealized Gain/Loss on Investments	(2,335,683)	0	0	0	(2,335,683)
Realized Gain/Loss on Investments	0	0	0	0	0
Foundation Donations	0	0	0	0	0
Medicaid Disproportionate Share	0	0	0	0	0
Prior Year Adjustment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET GAIN	<u>(397,250)</u>	<u>48,476</u>	<u>(167,637)</u>	<u>32,394</u>	<u>(484,017)</u>