

AnMed Health, SC

- 1 South Carolina Jobs-Economic Development Authority, Hospital Refunding Revenue Bonds (AnMed Health Project), Series 2016, \$102,825,000, Dated: November 15, 2016
- 2 South Carolina Jobs-Economic Development Authority Hospital Refunding Revenue Bonds (AnMed Health Project), Series 2010, \$41,080,000, Dated: March 4, 2010
- 3 South Carolina Jobs-Economic Development Authority, Hospital Refunding Revenue Bonds (AnMed Health Project), Series 2009C, \$56,450,000, Dated: May 13, 2009, Remarketed: December 4, 2013^{NAR}
- 4 South Carolina Jobs-Economic Development Authority, Hospital Refunding Revenue Bonds and Improvement Revenue Bonds (AnMed Health Project), Series 2009B, \$112,000,000, Dated: May 13, 2009
- 5 South Carolina Jobs-Economic Development Authority, Hospital Refunding Revenue Bonds (AnMed Health Project), Series 2009D, \$18,615,000, Dated: May 13, 2009, Remarketed: December 19, 2013
- 6 South Carolina Jobs-Economic Development Authority, Hospital Refunding Revenue Bonds (AnMed Health Project), Series 2009A, \$34,585,000, Dated: April 2, 2009, Remarketed: December 19, 2013

Series 2016, 2010, 2009B, 2009A, 2009D

Summary of Consolidated Revenues and Expenses

Fiscal Year Ended December 31, 2016

	2015	2016
Net patient service revenue	487,052	493,372
Other operating revenue	10,870	10,316
Net assets released from restrictions	1,600	1,211
Total unrestricted revenues and other support	499,522	504,899
Operating Expenses:		
Salaries	197,931	208,270
Benefits	53,238	115,815
Contract Labor	4,204	4,721
Professional fees	26,250	23,644
Supplies	85,997	85,820
Purchased services	33,744	40,210
Utilities	7,489	7,660
Other expenses	30,674	32,722
Depreciation	38,027	35,544
Interest	10,551	10,141
Total operating expenses	488,106	564,547
Income (loss) from operations	11,417	(59,648)
Nonoperating gains (losses):		
Change in net unrealized gains and losses on investments, trading securities	(32,517)	17,191
Change in fair value of interest swap instrument	(1)	1,221
Net investment income	20,437	24,125
Loss on redemption of series 2009B bonds	-	(14,256)
Net other gains (loss)	(963)	(958)
Total nonoperating gains (losses)	(13,044)	27,324
Excess (deficiency) of revenues and gains over expenses and losses	(1,628)	(32,325)

Series 2016, 2010, 2009B, 2009A, 2009D

Summary of Consolidated Balance Sheet Information

Fiscal Year Ended December 31, 2016

	2015	2016
Assets		
Current assets:		
Cash and cash equivalents	54,120	27,626
Patient accounts receivable, net of allowance	62,123	65,791
Other receivables	6,604	7,806
Due from related entities	495	1,178
Inventories of drugs and supplies	3,200	3,783
Prepaid expenses and other current assets	9,330	7,983
Assets whose use is limited, required for current liabilities	9,383	7,931
Total current assets	145,255	122,100
Assets whose use is limited, excluding amounts required for current liabilities	420,873	462,735
Property, plant and equipment, net	268,430	297,322
Cash surrender value of life insurance	5,489	5,661
Other assets	5,328	4,497
Due from related entities	-	-
Total assets	845,376	892,313
Liabilities and net assets		
Current liabilities:		
Accounts payable	13,847	16,568
Accrued payroll and employee benefits	29,859	32,746
Accrued liabilities	21,499	18,023
Estimated third-party payor settlements	9,019	8,219
Due to related entities	279	1,682
Current installments of long-term debt	6,175	6,415
Total current liabilities	80,679	83,654
Interest rate swap instrument	9,210	7,988
Accrued pension cost	3,637	-
Long-term debt, excluding current installments	259,606	268,031
Other long-term liabilities	217	233
Total liabilities	353,348	359,907
Net assets:		
Unrestricted	489,037	530,758
Temporarily restricted	2,990	1,648
Total net assets	492,027	532,407
Total liabilities and net assets	845,376	892,313

Series 2016, 2010, 2009B, 2009A, 2009D

Sources of Patient Revenue

Fiscal Year Ended December 31, 2016

	2016
Medicare	54.9%
Medicaid	12.9%
Self Pay	6.8%
Commercial	1.3%
Managed Care	21.3%
Other	2.8%
Total	100.0%

Series 2016, 2010, 2009B, 2009A, 2009D

Utilization Statistics

Fiscal Year Ended December 31, 2016

	2016
Licensed Beds	533
Staffed Beds	385
Average Adult Census	210
Percent Occupancy	70.6%
Patient Days	76,853
Average Length of Stay	4.1
Admissions	18,473
Newborn Deliveries	1,834
Surgical Cases IP	4,544
Surgical Cases OP	7,392
CV Surgery Visits	145
Emergency Visits	98,129
Outpatient Registrations	344,954
Lab Procedures	3,156,077
Cath Lab Procedures	6,373
Medicare CMI	1.5544
All Payor CMI	1.3984
Days Cash on Hand	388

Series 2016, 2010, 2009B, 2009A, 2009D

Market Shares by Service Area (Including Competing Facilities)

Primary Service Area

Percentage of Anderson County Patients Served (Inpatients)

	CY 2016
AnMed Health	74.5%
GHS - Greenville	14.7%
St. Francis	6.3%
GA or NC Hospitals	%
Self Regional	1.0%
GHS - Oconee	0.8%
Palmetto Baptist-Easley	0.8%
Other	2.0%

Secondary Service Area

Percentage of Abbeville County Patients Served (Inpatients)

	CY 2016
AnMed Health	12.7%
Self Regional	61.8%
Abbeville County	15.1%
GHS - Greenville	7.1%
GA or NC Hospitals	%
St. Francis	0.6%
MUSC	1.0%
Other	2.5%

Percentage of Oconee County Patients Served (Inpatients)

	CY 2016
AnMed Health	8.4%
GHS - Oconee	64.9%
GHS - Greenville	18.9%
St. Francis	5.5%
GA or NC Hospitals	%
Palmetto Baptist Easley	0.4%
Other	1.8%

Percentage of Pickens County Patients Served (Inpatients)

	CY 2016
AnMed Health	5.3%
Palmetto Baptist-Easley	24.4%
GHS - Greenville	35.9%
St. Francis	22.2%
AnMed Health Cannon	4.9%
GHS - Oconee	4.4%
GA or NC Hospitals	%
Other	2.7%

Series 2016, 2010, 2009B, 2009A, 2009D

Long-Term Debt Service Coverage Ratio

Fiscal Year Ended December 31, 2016

	2015	2016
Excess (deficiency) of revenues and gains over expenses and losses	(1,628)	(32,325)
Less change in net unrealized gains and losses on investments, trading securities	(32,517)	17,191
Less change in fair value of interest swap instrument	(1)	1,221
Less termination of pension plan expenses	-	64,013
Less loss on redemption of 2009B bonds	-	14,256
Plus interest, depreciation and amortization	48,579	45,685
Income available for debt service	79,469	73,217
Long-term debt service coverage requirement	16,043	16,223
Debt service coverage ratio	4.95	4.51
Income available for debt service	79,469	73,217
Adjusted and annualized income		
Available for debt service		
Maximum annual debt service	16,895	17,040
Debt service coverage ratio	4.70	4.30

Series 2016, 2010, 2009B, 2009A, 2009D

Long-Term Debt and Capitalization

Fiscal Year Ended December 31, 2016

	2015	2016
Long Term Debt:		
Total Long-Term Debt	265,781	274,446
Less:		
Unamortized Discounts	1,511	(13,069)
Bond Issuance Costs, net	4,578	2,883
Current Installments of Long-Term Debt	(6,175)	(6,415)
Net Long-Term Debt	265,695	257,845
Plus:		
Unrestricted Net Assets	489,037	530,758
Total Capitalization	754,732	788,603
Net Long-Term Debt as a Percentage of Total Capitalization	35.2%	32.7%

Series 2009B, 2009A, 2009D

Selected Consolidated Financial Data

Fiscal Year Ended December 31, 2016

	2015	2016
Excess (deficiency) of revenues and gains over expenses and losses	(1,628)	(32,325)
Change in net unrealized gains and losses on investments, trading securities	(32,517)	17,191
Less change in fair value of interest swap instrument	(1)	1,221
Less termination of pension plan expenses	-	64,013
Loss on redemption of Series 2009B bonds	-	14,256
Adjusted excess margin	30,890	27,532
Total nonoperating gains (losses)	(13,044)	27,324
Change in net unrealized gains and losses on investments, trading securities	(32,517)	17,191
Less change in fair value of interest swap instrument	(1)	1,221
Loss on redemption of Series 2009B bonds	-	14,256
Adjusted nonoperating gains (losses)	19,473	23,168

Series 2009A, 2009D

Days Cash on Hand and Related Information

Fiscal Year Ended December 31, 2016

	2015	2016
Cash and Unrestricted Investments	474,993	490,361
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Operating Expense per Day	1,233	1,270
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Days Cash and Unrestricted Investments on Hand	385	386