

**MISSISSIPPI STATE DEPARTMENT OF HEALTH
DIVISION OF HEALTH PLANNING
AND RESOURCE DEVELOPMENT
FEBRUARY 6, 2025**

**CON REVIEW: MOB-CNF-1224-016
NORTH MISSISSIPPI HEALTH SERVICES PROPERTY HOLDINGS, LLC
CONSTRUCTION OF NEW MEDICAL OFFICE BUILDING
CAPITAL EXPENDITURE: \$26,024,433.00
LOCATION: TUPELO, LEE COUNTY, MISSISSIPPI**

STAFF ANALYSIS

I. PROJECT SUMMARY

A. Applicant Information

North Mississippi Health Services, Inc. (“NMHS”) is a 501 (c)(3) tax exempt Delaware corporation, NMHS is a not-for-profit healthcare organization headquartered in Tupelo, Mississippi. NMHS Property Holdings, LLC is a Mississippi Limited Liability company which is a wholly owned subsidiary of North Mississippi Health Services, Inc. and is treated as a “disregarded entity” for federal income tax purposes. NMHS is the sole member of NMHS Property Holdings, LLC. and has three (3) officers. NMHS, through its subsidiaries, operates hospitals, clinics, and other healthcare facilities throughout its twenty-five (25) county service area in North Mississippi and Alabama. NHMS includes community hospital locations in Amory, Eupora, luka, Pontotoc, and West Point, Mississippi and Hamilton, Alabama, a regional network of more than forty-five (45) primary and specialty clinics, nursing homes and telehealth services. NMHS’ facilities also include North Mississippi Medical Center (“NMMC”), a 600-bed acute care hospital located in Tupelo, Mississippi which serves as the sole Level 2 trauma center in its service area. NMMC acts as a healthcare hub for the North Mississippi area, with numerous NMHS affiliated clinics and other facilities located in close proximity as well as a number of private physician practices.

NMMC operates provider-based specialty clinics in the Tupelo market, including the North Mississippi Retina Center (“Retina Center”) located at 606 Brunson Drive, Tupelo, Mississippi, and Med Serve, a free-standing urgent care clinic located at 844 South Madison, Suite A, Tupelo, Mississippi.

The application includes Certificates of Good Standing from the Office of the Secretary of State dated November 12, 2024, indicating that NMHS Property Holdings, LLC and North Mississippi Health Services, Inc. are in good standing with the state of Mississippi.

B. Project Description

The Applicant, through its wholly owned subsidiary NMHS Property Holdings, LLC (“NMPH”), requests certificate of need (“CON”) approval to construct a new medical office building (“MOB”) to be located at 718 Crossover Road, Tupelo, Mississippi, directly adjacent to the existing NMMC campus. The Applicant states the MOB will be a 44,345 square foot, three (3) story facility that will provide a highly visible, efficient, and convenient central location near the NMMC campus to offer outpatient services. The Applicant asserts following the construction of the MOB, NMHS proposes to relocate Med Serve to the first floor of the new MOB, which will serve as a highly visible adult and pediatric urgent care clinic. The Applicant further states, like many other hospitals, the NMMC emergency department consistently experiences high patient volumes. The Applicant asserts that

many of the patients presenting in the NMMC emergency department are relatively lower acuity patients who would be more appropriately treated in an urgent care setting. The Applicant states that NMHS believes that relocating Med Serve to the new MOB will provide a highly visible alternative for lower acuity patients with an acute condition that will reduce unnecessary emergency department visits to NMMC. The Applicant further states this will result in cost savings to NMMC, the patients, and payors, and decreases wait times for patients with emergency conditions.

The Applicant states that NMHS will utilize the second and third floors of the MOB to operate physician and other specialty clinics. Specifically, NMHS intends to relocate the Retina Center from its current location to the MOB. The Applicant state Retina Center anticipates recruiting another physician this year, and it currently does not have sufficient space or parking to accommodate patient needs. The Applicant asserts NMHS has also recently recruited a dermatologist and will establish a provider-based dermatology clinic ("Dermatology Consultants") in the MOB. The Applicant submits Dermatology Consultants is expected to recruit three (3) additional providers over the next five (5) years and will need sufficient space to accommodate this growth. The Applicant further states NMHS anticipates leasing space in the MOB to private local physician practices and acquiring equipment ordinarily used in the operation of a physician clinic, including laboratory and x-ray equipment. In addition, the Applicant states Retina Center will also acquire equipment needed for specialized testing and treatment of retina patients.

The Applicant proposes a capital expenditure of \$26,024,433.00 which includes land cost, site preparation/improvement, new construction, fees (architectural, consultant, etc.), contingency reserve, and fixed equipment, and non-fixed equipment. The Applicant proposes to finance the project with cash reserves. The Applicant further states the anticipated date for obligation of the capital expenditure is March 2025, and the anticipated date the project will be complete is June 2026. On November 18, 2024, the Mississippi State Department of Health, Division of Fire Safety and Construction, Bureau of Health Facilities Licensure and Certification, approved the proposed MOB site.

The Applicant affirms NMMC's final objectives of the proposed project are to provide additional space and facilities for NMHS and its affiliated providers, as well as private physician groups, to offer healthcare services in a modern facility conveniently located adjacent to NMMC, one (1) of the largest acute care facilities in North Mississippi. The Applicant further states the location of this additional space in close proximity to NMMC will enhance the delivery of healthcare services and provide a convenient patient experience.

The Applicant affirms NMPH will comply with all state and local building codes, zoning ordinances, and appropriate regulatory authorities. In addition, the Applicant affirms NMPH will comply with all applicable state statutes and regulations for protection of the environment, including: 1) approved water supplies; 2) sewage and water disposal; 3) hazardous waste disposal; 4) water pollution control; 5) air pollution control; and 6) radiation control.

II. TYPE OF REVIEW REQUIRED

The Mississippi State Department of Health will review applications for a Certificate of Need (CON) for the construction of a medical office building under the requirements of Sections 41-7-173, 41-

7-191, and 41-7-193, Mississippi Code 1972 Annotated, as amended. MSDH will also review applications for CON according to the general criteria listed in the *Mississippi Certificate of Need Review Manual, Revised November 11, 2023*; all adopted rules, procedures, plans, criteria, and standards of the MSDH.

In accordance with Section 41-7-197(2) of the Mississippi Code 1972 Annotated, as amended, any person may request a public hearing on this project within ten (10) days of publication of the staff analysis. The opportunity to request a hearing expires on February 18, 2025.

III. CONFORMANCE WITH THE STATE HEALTH PLAN AND OTHER ADOPTED CRITERIA AND STANDARDS

A. Mississippi State Health Plan (MSHP)

The *FY 2022 Mississippi State Health Plan Third Edition* does not contain criteria and standards applicable to the construction of medical office buildings. However, the Plan states MSDH will review applications for a CON for construction, renovation, expansion, or capital improvement involving a capital expenditure in excess of \$5,150,000.00 (for clinical health services) or \$10,300,000.00 for nonclinical health services (adjusted for a 3% inflation factor). In addition, MSDH reviews CON projects for MOBs constructed by any entity if the capital expenditure is deemed to be “by-or-on-behalf” of a health care facility. MSDH will further review applications under the applicable statutory requirements of Sections 41-7-173, 41-7-191, and 41-7-193, Mississippi Code of 1972, as amended. MSDH will also review applications for Certificate of Need according to the general criteria listed in the *Mississippi Certificate of Need Review Manual*; all adopted rules, procedures, and plans of the MSDH; and the specific criteria and standards listed below.

The construction, development, or other establishment of a new health care facility, the replacement and/or relocation of a health care facility or portion thereof, and changes of ownership of existing health care facilities are reviewable regardless of capital expenditure.

The Applicant affirms that this project will comply with the general CON policies enumerated below.

- To improve the health of Mississippi residents.
- To increase accessibility, acceptability, continuity, and quality of services.
- To prevent unnecessary duplication of health resources; and
- To provide cost containment.

B. General Review (GR) Criteria

Chapter 8 of the *Mississippi Certificate of Need Review Manual, Revised November 11, 2023*, addresses general criteria by which all CON applications are reviewed. This application is in substantial compliance with the general review criteria.

GR Criterion 1 –State Health Plan

As stated above, the *FY 2022 Mississippi State Health Plan, Third Edition* does not contain criteria and standards applicable for the construction of a MOB; however, the project is in substantial compliance with general CON policies.

GR Criterion 2 - Long Range Plan

The Applicant states NMHS's mission and long-range plans include a commitment to meeting the needs of the residents of North Mississippi and the surrounding areas. The Applicant submits NMHS believes that the construction of additional physician office space is vital to meet the needs of the community. The Applicant further states, healthcare reimbursement increasingly moves towards risk-based and value-based arrangements, having a visible, highly efficient alternative to the emergency department for lower acuity patients is very important.

Additionally, the Applicant states, NMHS anticipates continued growth for its retina and dermatology service lines. The Applicant states having sufficient facility space to accommodate additional providers and the associated increased patient volumes is critical to ensure that NMHS can continue to meet the healthcare needs of the community.

GR Criterion 3- Availability of Alternatives

- a. **Advantages and Disadvantages of Alternatives:** The Applicant states the only alternative approach to this proposed project would be to not construct the MOB and continue with the status quo. The Applicant states NMHS determined that this alternative was unacceptable, and as set forth above, both Med Serve and the Retina Center require additional clinical space. The Applicant further states NMHS has determined that additional clinical space is necessary to accommodate the expansion of new healthcare service lines in the future.
- b. **New Construction Projects:** The Applicant state several of NMMC's existing clinics have outgrown their available space and parking capacity. The Applicant states NMMC determined that it would be infeasible to expand the existing clinical space to meet patient healthcare needs. The Applicant further states NMHS determined that there were no comparable existing facilities adjacent to NMMC which could be modernized to accommodate the goals of this project.
- c. **Beneficial Effects to the Health Care System:** The Applicant asserts the construction of the MOB will allow NMHS to offer outpatient and physician services to patients in a convenient, centralized location adjacent to the NMMC campus. The Applicant further states, as referenced above, NMHS believes that the proposed location of the Med Serve clinic will offer patients with lower acuity conditions a cheaper and more convenient alternative to the hospital emergency department.
- d. **Effective and Less Costly Alternatives:**
 - i. **Unnecessary Duplication of Services:** The Applicant states this project does not propose the establishment of new healthcare services.
 - ii. **Efficient Solution:** The Applicant states NMHS has determined that there is not a more efficient solution to the identified need.
- e. **Improvements and Innovations:** The Applicant states this proposed project will improve the healthcare delivery system in the Tupelo, Mississippi area by providing a convenient centralized location near NMMC for patients to obtain urgent care as well as other specialty clinic services.

- f. **Relevancy:** The Applicant states as healthcare payment models increasingly move toward risk-based and value-based arrangements, reducing unnecessary emergency department visits for lower acuity patients is very important. The Applicant submit NMHS believes that relocating and expanding the Med Serve clinic to the new MOB will be critical in achieving this goal. The Applicant further states the MOB will also provide additional space for specialty clinics which complement the services offered by NMMC.

GR Criterion 4 - Economic Viability

- a. **Proposed Charge:** The Applicant states this proposed project does not propose establishing a new service.
- b. **Projected Levels of Utilization:** The Applicant states this project does not propose to directly establish a new service. The applicant submits the space in the MOB will be leased to NMHS affiliated providers through intra-company lease agreements. The Applicant further states space in the MOB which will be leased to private physician practices will be at fair market value rates.
- c. **Financial Feasibility Study:** The application contains a financial feasibility letter from the Chief Financial Officer of North Mississippi Health Services attesting to North Mississippi Health Services' sufficient cash reserves to finance the capital expenditure for the proposed project.
- d. **Financial Forecasts:** The Applicant states this item is not applicable to the proposed project.
- e. **Covered Expenses:** The Applicant affirms NMHS will cover any revenue shortfalls through its existing cash reserves.
- f. **Impact of Proposed Project on Health Care Cost:** The Applicant state NMHS does not anticipate that this proposed project will directly impact the cost of healthcare. The Applicant further states the establishment of the Med Serve clinic in the proposed new location may indirectly decrease the cost of healthcare by allowing lower acuity patients to obtain treatment in the urgent care setting versus an unnecessary visit to the NMMC emergency department.

GR Criterion 5 - Need for the Project

- a. **Access by Population Served:** The Applicant asserts NMHS and NMMC operate as 501(c)(3) tax-exempt, non-profit organization that provide significant levels of uncompensated care to their patients, which includes charity and indigent care. The Applicant states the total amount of charity care provided by NMHS in FY 2023 was \$109,689,679.00. The Applicant further states as a 501(c)(3) non-profit hospital, NMMC is required to regularly conduct a Community Health Needs Assessment ("CHNA") which defines the community that NMMC serves and assesses the healthcare needs of its community. The Applicant affirms NMMC is also required to develop an implementation strategy to address the community needs identified in

CHNA. The Applicant included its most recent CHNA, identifying the diverse community served by NMMC and their healthcare needs.

- b. Relocation of Services:** The Applicant states NMHS anticipates leasing the existing Med Serve clinic building to a private tenant. The Applicant further states NMHS anticipates relocating its existing Infectious Disease Clinic to the current location of the Retina Center. NMHS does not anticipate that the disposition of these properties will have a material financial impact on the project.
- c. Current and Projected Utilization of Comparable Facilities:** The Applicant states this is not applicable to the proposed project. This proposed project is for the construction of a medical office building and not the establishment of a new healthcare facility or service. Upon information and belief, the MSDH does not collect or publish utilization information related to the medical office building.
- d. Probable Effect on Existing Facilities in the Area:** The Applicant states NMHS does not anticipate that this project will have any impact on existing facilities. The Applicant affirms this proposed project is for the construction of a medical office building and not the establishment of a new healthcare facility or service.
- e. Community Reaction to Service:** The Applicant submitted five (5) community letters in support of the proposed project with the application.

GR Criterion 6- Access to the Facility or Service

- a. Access to Services:** The Applicant submits NMHS' existing facility is accessible to all residents of its service area, including Medicaid recipients, charity/medically indigent patients, racial and ethnic minorities, women, handicapped persons and the elderly. The applicant states the residents of its service area will have access to the proposed services and or facility as described in their application.

The following table shows the projected estimated gross patient revenues of health care to charity care patients for NMHS:

Gross Patient Revenue				
	Medical Indigent (%)	Charity Care (%)	Medical Indigent (\$)	Charity Care (\$)
Historical Year 2023		2.71%		\$109,689,679.00
Historical Year 2024		1.58%		\$68,717,824.00
Projected Year 1 (FY 2025)		1.45%		\$60,774,175.00
Projected Year 2 (FY 2026)		2.47%		\$105,256,562.00

***The Applicant affirms NMHS does not separate indigent care from charity care.**

- b. Existing Obligations:** The Applicant states that it has no existing obligations under federal regulation requiring provision of uncompensated care, community service, or access by minority or handicapped persons.
- c. Unmet Needs of Medicare, Medicaid, and Medically Indigent Patients:** The Applicant submits NMHS has and will continue to provide services to Medicare, Medicaid, and medically indigent patients consistent with its non-profit healthcare mission.
- d. Access to Proposed Facility:** The Applicant indicates NMMC, and its affiliated providers are participating providers in the Medicare and Medicaid programs. The Applicant further states NMHS is also a 501(c)(3) non-profit organization and maintains a robust financial assistance and charity care program for indigent and low-income patients. A copy of the NMHS's Financial Assistance Policy is provided with the application.
- e. Access Issues:**
- i. Transportation and Travel:** The Applicant states the MOB will be located at 718 Crossover Road, Tupelo, Mississippi, which is conveniently located directly adjacent to the NMMC campus.
 - ii. Restrictive Admission Policy:** The Applicant states the MOB will be used to offer physician clinic services which typically do not have an admission policy. A copy of NMMC's admissions policy is provided with the application.
 - iii. Access to Care by Medically Indigent Patients:** The Applicant states NMHS maintains a robust financial assistance policy for low-income and indigent patients.
 - iv. Operational Hours of Service:**
 1. **Regular operation.** The Applicant states that each tenant in the building will set their own hours of operations.
 2. Med Serve currently operates:
Sunday: 12:00 PM- 5:45 PM
Monday through Friday: 8:00 AM- 7:30 PM
Saturday: 8:00AM - 6:45 PM

The Retina Center currently operates:
Monday through Thursday: 8:00 AM – 4:30 PM
Friday: 8:00 AM – 12:00 PM
 3. **Emergency only operation.** The Applicant states NMHS does not anticipate that emergency services will be offered in the MOB. The Applicant states patients requiring emergency services may obtain treatment at the NMMC emergency department

GR Criterion 7- Information Requirement

NMHS affirms that it will record and maintain the information in this criterion and make it available to the MSDH within fifteen (15) business days of its request.

GR Criterion 8 - Relationship to Existing Health Care System

- a. Comparable Services:** The Applicant state NMHS submits that this criterion is inapplicable because this project is for the construction of a medical office building rather than the establishment of new healthcare service or healthcare facility.
- b. Effects on Existing Health Services:**
 - i. Complement Existing Services:**

The Applicant states the proposed project will complement NMHS's existing services by providing a modern, centrally located medical office building to offer physician and other specialty clinic services.
 - ii. Provide Alternative or Unique Services:**

The Applicant states the new and expanded Med Serve urgent care clinic will offer specialized pediatric urgent care services, which are currently unavailable in the Lee County, Mississippi area.
 - iii. Provide Services for a Specific Target Population:**

The Applicant states this proposed project will allow all patients in NMHS's service area to receive needed services in a convenient, centralized location. NMHS will continue to treat all appropriate patients in need of its services.
 - iv. Provide Services for Which There is an Unmet Need:** The applicant states North Mississippi currently has an unmet need for additional outpatient dermatology services. As stated above, NMHS has currently recruited a dermatologist, but requires additional clinical space to hire more providers. This proposed project will allow NMHS to recruit additional dermatology providers for patients in its service area. Additionally, NMHS's Retina Center anticipates recruiting another physician in the next year and will require additional clinic space to accommodate patient care needs.
- c. Adverse Impact:** The Applicant states NMHS fails to implement this project, it will be unable to expand its urgent care, dermatology, and retina care services lines to meet the healthcare needs of the community.
- d. Transfer/Referral/Affiliation Agreements:** The Applicant states this is not applicable to the proposed project.

GR Criterion 9 - Availability of Resources

- a. New Personnel:** The Applicant states this is not applicable to the proposed project.
- b. Contractual Services:** The Applicant states NMMC is full service general acute

care hospital and will provide any necessary support services for clinics located in the MOB.

- c. **Existing Facilities or Services:** The Applicant asserts NMMC one (1) of the largest rural healthcare systems in the United States with approximately 7,200 employees. NMHS operates seven (7) hospitals and a regional network of more than forty-five (45) primary and specialty clinics; nursing homes; and telehealth services.
- d. **Alternative Uses of Resources:** The Applicant states that this is not applicable to the proposed project.

GR Criterion 10 – Relationship to Ancillary or Support Services

- a. **Support and Ancillary Services:** The Applicant states the MOB will be located adjacent to NMMC, which will be able to provide all necessary ancillary and support services for the building tenants.
- b. **Changes in Costs or Charges:** The Applicant states NMHS does not anticipate that the proposed project will result in any change in costs or charges.
- c. **Accommodation of Changes in Costs or Charges:** The Applicant states NMHS will accommodate any changes in costs or changes by adjusting its budget appropriately.

GR Criterion 11- Health Professional Training Programs

The Applicant states this criterion is not applicable to the proposed project.

GR Criterion 12 – Access by Health Professional Schools

The Applicant states this criterion is not applicable to the proposed project.

GR Criterion 13 – Access to Individuals Outside Service Area

The Applicant states as a leading provider of healthcare services in North Mississippi, NMHS and its affiliated providers routinely provide services to patients residing outside its service area.

GR Criterion 14 – Construction Projects

The Applicant included an architect cost estimate with the application.

GR Criterion 15 – Competing Applications

The Applicant states this criterion is not applicable to the proposed project.

GR Criterion 16 - Quality of Care

- a. **Past Quality of Care:** The Applicant states NMHS is a 2012 Malcolm Baldrige National Quality Award recipient, and NMMC, its flagship hospital, is a 2006 Baldrige Award recipient. The Applicant further state NMMC has a long history of delivering high quality healthcare. For example, in 2021 NMMC was awarded an "A" rating by Leapfrog, a national distinction recognizing NMMC's achievements in

protecting patients from errors, injuries, accidents and infections.

The Applicant affirms NMMC is designated as a Level II trauma center by the Mississippi State Department of Health. The Applicant states to receive this designation, facilities must offer a full range of trauma capabilities, including an Emergency Department, a full-service surgical suite, intensive care unit and diagnostic imaging, as well as making a commitment to consistently meet national guidelines or standards in caring for trauma patients. The Applicant states NMMC is one (1) of only three (3) hospitals in Mississippi to receive this designation and the only one in North Mississippi.

- b. Improvement of Quality of Care:** The Applicant states this project will improve the quality of care being delivered in several ways.

The Applicant states the relocation and expansion of the Med Serve urgent clinic to the new MOB location will provide a convenient and highly visible alternative to the NMMC emergency room for lower acuity patients with acute conditions. The applicant further states this will result in cost savings for both the patient and the healthcare system, decrease emergency room wait times, and preserve emergency department resources for higher acuity patients.

The Applicant states the MOB will provide needed space for NMMC to expand its existing Retina Center as well as provide space for the Dermatology Consultants clinic. The Applicant further states the MOB will also offer space for private physician groups to obtain modern physician office space in close proximity to NMMC, providing convenience to both patients as well as the physicians on NMMC's medical staff.

- c. Accreditation and/or Certificates:** The Applicant affirms NMMC is a DNV accredited hospital.

IV. FINANCIAL FEASIBILITY

A. Capital Expenditure Summary

Item	Cost	Percentage of Total
New Construction	\$19,689,916.00	75.66%
Renovation	0.00	0.00%
Capital Improvements	0.00	0.00%
Land Cost	974,537.00	3.74%
Fixed Equipment	367,081.00	1.41%
Non-fixed Equipment	1,142,676.00	4.39%
Fees (architectural, etc.)	1,525,000.00	5.86%
Site Preparation	1,810,084.00	6.96%
Legal and Accounting Fees	0.00	0.00%
Contingency Reserve	515,139.00	1.98%
Capitalized Interest	0.00	0.00%
Other	0.00	0.00%
Totals	\$26,024,433.00	100.00%

Note: Staff's calculation of Percentage of Total may differ from Applicant's due to rounding.

B. Method of Financing

The Applicant states NMHS Property Holdings, LLC will pay for this project out of existing cash reserves. A copy of the Source of Funds is included with the application.

C. Effect on Operating Costs

See Attachment 1 for the applicant's Three-Year Income Statement with project.

D. Cost to Medicaid/Medicare

The Applicant projects gross patient revenue cost to third party payors as follows.

Payor Mix	Utilization Percentage (%)	First Year Revenue (\$)
Medicare	49.80%	\$1,454,983,605.00
Medicaid	8.86%	\$258,861,672.00
Commercial	36.12%	\$1,055,301,497.00
Self-Pay	4.01%	\$117,230,792.00
Charity Care	1.21%	\$35,474,718.00
Other	0.00%	\$0.00
Total	100.00%	\$2,921,852,285.00

Note: Staff's calculation of Percentage of Total may differ from Applicant's due to rounding.

V. RECOMMENDATION OF OTHER AFFECTED AGENCIES

The Division of Medicaid was provided a copy of this application for review and comment. As of the date of this staff analysis, the Division has not provided any comments on the proposed project.

VI. CONCLUSION AND RECOMMENDATION

This *FY 2022 Mississippi State Health Plan, Third Edition* does not contain criteria and standards for the construction of a medical office building; however, the project is in compliance with general CON policies and is consistent with Mississippi's health planning and health regulatory activities stated in the Plan; Chapter 8 of the *Mississippi Certificate of Need Review Manual, Revised, November 11, 2023*; and all adopted rules, procedures, and plans of the Mississippi State Department of Health.

The Division of Health Planning and Resource Development recommends approval of the application submitted by North Mississippi Health Services Property Holdings, LLC, for the construction of a new medical office building.

Attachment 1

North Mississippi Health Services, LLC Three-Year Operating Statement (With Project)			
	Year 1	Year 2	Year 3
Revenue			
Patient Revenue:			
Inpatient	\$1,435,709,830.00	\$1,464,424,026.00	\$1,493,712,507.00
Outpatient	\$2,921,852,285.24	\$2,983,992,569.03	\$3,048,843,962.79
Gross Patient Revenue	\$4,357,562,115.00	\$4,448,416,595.00	\$4,542,556,470.00
Charity Care	\$107,407,053.00	\$109,570,580.00	\$111,782,772.00
Deductions from Revenue	\$2,985,545,911.00	\$3,047,755,489.00	\$3,112,085,234.00
Net Patient Revenue	\$1,264,609,151.00	\$1,291,090,526.00	\$1,318,688,464.00
Other Operating Revenue	\$54,308,507.00	\$54,308,507.00	\$54,308,507.00
Total Operating Revenue	\$1,318,917,658.00	\$1,345,399,033.00	\$1,372,996,971.00
Expenses			
Operating Expenses:			
Salaries	\$573,991,979.00	\$584,133,271.00	\$596,315,853.00
Benefits	124,674,721.00	126,885,084.00	129,524,388.00
Supplies	307,006,344.00	312,694,998.00	318,959,488.00
Services	115,677,619.00	117,972,931.00	120,336,775.00
Lease	5,471,444.00	5,448,866.00	5,482,733.00
Depreciation	55,875,636.00	55,028,969.00	55,028,969.00
Interest	10,512,738.00	10,512,738.00	10,512,738.00
Other	141,644,304.00	141,262,326.00	141,353,392.00
Total Expenses	\$1,334,854,786.00	\$1,353,939,184.00	\$1,377,514,337.00
Net Income (Loss)	\$(15,937,128.00)	\$(8,540,151.00)	\$(4,517,365.00)
Assumptions			
Inpatient days	158,110	161,272	164,498
Outpatient days	956,147	975,270	994,775
Procedures	1,236,546	1,249,064	1,276,032
Charge/outpatient day	3,056	3,060	3,065
Charge per inpatient day	9,080	9,080	9,080
Charge per procedure	3,524	3,561	3,560
Cost per inpatient day	\$8,443	\$8,395	\$8,374
Cost per outpatient day	\$1,396	\$1,388	\$1,385
Cost per procedure	\$1,080	\$1,084	\$1,080
EBIDA (in thousands)	50,451	57,002	61,024

Note: Staff's calculation of Percentage of Total may differ from Applicant's due to rounding