



March 22, 2018

Donna Jerry, Senior Health Policy Analyst  
State of Vermont  
Green Mountain Care Board  
144 State Street  
Montpelier, Vermont 05602

***Re: Docket No. GMCB-004-18con, Purchase of Real Estate at 62 and 192 Tilley Drive***

Dear Donna,

This letter responds to the questions from your letter dated March 9, 2018, as well as the March 5<sup>th</sup> email request from Lori Perry for UVM Medical Center to provide additional financial tables in support of our application.

Ms. Perry asked us to complete and submit income statements (CON Financial Tables 3A – 3C) and a revised form of balance sheet showing capital spending for future years. The income statements are enclosed, but we hope that a revised balance sheet will not be necessary.

Over the course of the past several years, UVM Medical Center has submitted a current state balance sheet for all CON applications, just like what was submitted for this application. The GMCB has long since accepted current state balance sheets from UVM Medical Center. This is in recognition of the difficulty we would have projecting future capital spending for future capital budgets, which have not yet been developed or approved by the GMCB. Since the current state balance sheet is exactly what we submitted for all recent CON applications, we believe it should be sufficient here. However, if additional information is needed, we would be happy to discuss it further.

The questions from your March 9<sup>th</sup> letter are **bolded** below followed by our responses in un-bolded font.

RESPONSES

- 1. On a per square foot basis, describe how UVM Medical Center's acquisition cost compares with the acquisition costs of similar properties on the market in the greater Burlington area.**

RESPONSE: We are unaware of any property on the market in the greater Burlington area that is comparable to the property UVM Medical Center proposes to purchase. The property we propose to purchase – 62 and 192 Tilley Drive in South Burlington – are Class A buildings that were designed specifically for use as medical offices. No other buildings on the market in the greater Burlington area are of the size, quality, and design type as the buildings we propose to purchase.

However, we recently conducted a market analysis of commercial office building sales in the area over the past several years. The only recent sale of commercial office space at all comparable to the property at issue here is the pending sale of 88 Technology Park Way in South Burlington (“Tech Park”). Tech Park is a 53,000 square foot general office building (not medical occupancy) that is being purchased for a price per square foot of \$336.45. By comparison, 62 Tilley Drive (28,069 square feet) has a purchase price of \$247.31 per square foot, and 192 Tilley Drive (53,600 square feet) has a purchase price of \$272.45 per square foot.

- 2. Explain why the properties’ annual operating expenses, shown on pages 3 – 4 of the application, differ from the annual operating expenses shown on page 5 of the application.**

RESPONSE: The annual operating expense figure on page 5 (\$1,145,019) is inaccurate and mistakenly involved doubling the operating expenses.

The amounts on pages 3 – 4 are accurate and include total operating expenses for the two buildings of \$597,759. This amount includes: (a) for 62 Tilley Drive, annual operating expenses of \$205,860 and a building management fee of \$18,339; and (b) for 192 Tilley Drive, annual operating expenses of \$341,400 and a building management fee of \$32,160.

- 3. Explain how the applicant will achieve a cash flow of \$440,368 in Year 2, given projected mortgage payments and operating expenses.**

RESPONSE: The positive cash flow of \$440,368 in Year 2 represents a comparative cash flow analysis, showing the difference between UVM Medical Center’s current annual costs for leasing the two properties (\$2,087,480) as compared to its annual costs after acquiring the property on the financial terms described in the application (\$1,647,111). For purposes of this analysis, the amount for our current costs (\$2,087,480) includes the annual rental payments and property taxes that will terminate upon our acquisition of the building, but does not include the operating expenses that will continue unchanged after the acquisition (e.g., utilities, insurance, maintenance). Similarly, the cost to own (\$1,647,111) includes the mortgage payments but does not include the operating expenses that will remain unchanged after the acquisition (utilities, insurance, maintenance, etc.). Therefore, the number of \$440,368 reflects the positive annual cash flow UVM Medical Center will realize in Year 2, when comparing the cost to rent v. the cost to own.

These figures, and the comparative analysis, are shown in Exhibit 2 to the CON application.

**4. Identify the amounts that were included in the 2017 and 2018 hospital budget submissions for the purchase of the two properties.**

RESPONSE: In the FY 2017 capital budget submission, \$25M was included for the purchase of the two properties. The same amount was included in the FY 2018 budget submission.

**5. Explain your contingency plan and impact on the project if annual revenue growth assumptions are less than 3.5%.**

RESPONSE: This project is not predicated on any specific annual revenue growth assumptions. As explained in the CON application, the project is purely a financial transaction. Its purpose is to reduce occupancy costs, as it is less expensive to own than to lease the two buildings.

UVM Medical Center will finance 85 percent of the project's costs over a 15-year borrowing term, and use existing capital to pay for the remaining 15 percent of the acquisition costs. Beginning in the second year of the transaction, the annual debt service payments will be lower than the existing payments, resulting in substantial savings over time.

Because this project will result in financial *savings* for UVM Medical Center, it is not tied to any particular revenue assumptions for purposes of financing the costs. However, if UVM Medical Center does not proceed with the project, its expenses for leasing the two buildings will continue to increase over time.

**6. Confirm whether there are readily available transportation services to the two Tilley Drive locations for patients receiving subsidized public transportation.**

RESPONSE: Beginning in February 2010, UVM Medical Center partnered with CCTA, Pizzagalli Properties, Maitri Health and the Community Health Centers of Burlington (CHCB) to establish a Tilley Drive Shuttle. The Tilley Drive Shuttle provides a free public transportation connection between the University Mall in South Burlington and the offices at Tilley Drive. The Tilley Drive Shuttle is operated by the Special Services Transportation Agency (SSTA) and is available as a free service for any individual who wishes to use it. To access the service from the Green Mountain Transit (GMT) line, GMT commuters take the GMT bus to the University Mall GMT drop-off location, which is the pick-up location for the Tilley Drive Shuttle. The shuttle is available Monday through Friday from 7:30 a.m. (the first available pick-up time) until 4:55 p.m. (the last drop-off time). Individuals wishing to use the Tilley Drive Shuttle can call the SSTA to reserve a seat during one of the available pick-up times.<sup>1</sup>

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<sup>1</sup> Additional information about the Tilley Drive Shuttle is available on GMT's website at: [http://ridegmt.com/wp-content/uploads/TilleyDriveShuttle\\_February2018.pdf](http://ridegmt.com/wp-content/uploads/TilleyDriveShuttle_February2018.pdf)

Although the initial funding partners of the Tilley Drive Shuttle were UVM Medical Center, CCTA, Pizzagalli Properties, Maitri Health and the CHCB, in recognition of the need for public transportation to their businesses, two other area businesses – Vermont Eye Laser and the Sphynx Building – recently began supporting the costs for operating the shuttle service.

In addition to the Tilley Drive Shuttle, Green Mountain Transit now provides direct ADA paratransit services via SSTA to Tilley Drive for individuals with disabilities who are unable to use the fixed route bus system. GMT began offering this service to the Tilley Drive location in December 2016.

We hope that this letter answers any remaining questions that you have. If further information is needed, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in blue ink, appearing to read "SJK", followed by a long horizontal flourish.

Steven J. Klein, Esq.  
Director of Legal Affairs & Assistant General Counsel

Enclosures

STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD

In re:                   UVM Medical Center, Inc.                   ) Docket No. GMCB-004-18con  
                          South Burlington Property Acquisition                   )  
                          Capital Expenditure: \$22.122 million                   )

STEVEN J. KLEIN, Esq., being duly sworn, states on oath as follows:

1. My name is Steven J Klein, Esq. I am the Director of Legal Affairs and Assistant General Counsel of The University of Vermont Medical Center. I have reviewed the foregoing letter in response to the Green Mountain Care Board's questions from March 9, 2018.
2. Based on my personal knowledge, after diligent inquiry, the information contained in the foregoing is true, accurate and complete, does not contain any untrue statement of a material fact, and does not omit to state a material fact necessary to make the statement made therein not misleading, except as specifically noted herein.
3. My personal knowledge of the truth, accuracy and completeness of the information contained in the foregoing letter is based upon either my actual knowledge of the subject information or, where identified below, upon information reasonably believed by me to be reliable and provided to me by the individuals identified below who have certified that the information they have provided is true, accurate and complete, does not contain any untrue statement of a material fact, and does not omit to state a material fact necessary to make the statement made therein not misleading.
4. The following certifying individuals have provided information or documents to me in connection with the foregoing letter, and each such individual has certified, based on his or her actual knowledge of the subject information or, where specifically identified in such certification, based on information reasonably believed by the certifying individual to be reliable, that the information or documents they have provided are true, accurate and complete, do not contain any untrue statement of a material fact, and do not omit to state a material fact necessary to make the statement made therein not misleading:

David Keelty  
Director, Facilities, Planning & Development

Marc Stanislas  
Vice President, Treasury & Finance

5. In the event that the information contained in the foregoing letter becomes untrue, inaccurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board, and to supplement the information/document subject to

verification as soon as I know, or reasonably should know, that the information or document has become untrue, inaccurate or incomplete in any material respect.



STEVEN J. KLEIN

On March 22, 2018, STEVEN J. KLEIN, Esq., appeared before me and swore to the truth, accuracy and completeness of the foregoing.



Notary public

My commission expires on 2-10-2019



**THE UNIVERSITY OF VERMONT MEDICAL CENTER**

**South Burlington Real Estate Acquisition**

**INCOME STATEMENT  
Table 3A  
WITHOUT PROJECT**

	2016		2017		2017		2018		Proposed Yr 1		Proposed Yr 2		Proposed Yr 3	
	Actual	Budget	% change	Actuals	% change	Budget	% change	2019	% change	2020	% change	2021	% change	
<b>REVENUES</b>														
INPATIENT CARE REVENUE	713,704,200	737,421,623	3.3%	776,281,792	5.3%	797,212,253	2.7%	797,212,253	0.0%	797,212,253	0.0%	797,212,253	0.0%	
OUTPATIENT CARE REVENUE	1,106,622,568	1,112,544,201	0.5%	1,147,602,729	3.2%	1,175,227,864	2.4%	1,175,227,864	0.0%	1,175,227,864	0.0%	1,175,227,864	0.0%	
OUTPATIENT CARE REVENUE - PHYSICIAN	683,798,434	627,428,060	-8.2%	697,080,498	11.1%	629,052,172	-9.8%	629,052,172	0.0%	629,052,172	0.0%	629,052,172	0.0%	
CHRONIC/SNF PT CARE REVENUE	25,363,139	28,317,956	11.7%	27,181,176	-4.0%	29,308,043	7.8%	29,308,043	0.0%	29,308,043	0.0%	29,308,043	0.0%	
SWING BEDS PT CARE REVENUE	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	
<b>GROSS PATIENT CARE REVENUE</b>	<b>2,529,488,342</b>	<b>2,505,711,841</b>	<b>-0.9%</b>	<b>2,648,146,194</b>	<b>5.7%</b>	<b>2,630,800,332</b>	<b>-0.7%</b>	<b>2,630,800,332</b>	<b>0.0%</b>	<b>2,630,800,332</b>	<b>0.0%</b>	<b>2,630,800,332</b>	<b>0.0%</b>	
DISPROPORTIONATE SHARE PAYMENTS	18,724,391	18,115,526	-3.3%	17,474,390	-3.5%	13,724,391	-21.5%	13,724,391	0.0%	13,724,391	0.0%	13,724,391	0.0%	
BAD DEBT FREE CARE	(36,040,530)	(31,389,518)	-12.9%	(42,292,297)	34.7%	(39,144,454)	-7.4%	(39,144,454)	0.0%	(39,144,454)	0.0%	(39,144,454)	0.0%	
DEDUCTIONS FROM REVENUE	(1,355,625,548)	(1,319,652,004)	-2.7%	(1,430,720,235)	8.4%	(1,558,572,821)	8.9%	(1,558,572,821)	0.0%	(1,558,572,821)	0.0%	(1,558,572,821)	0.0%	
<b>NET PATIENT CARE REVENUE</b>	<b>1,156,546,653</b>	<b>1,172,785,845</b>	<b>1.4%</b>	<b>1,192,608,052</b>	<b>1.7%</b>	<b>1,046,807,448</b>	<b>-12.2%</b>	<b>1,046,807,448</b>	<b>0.0%</b>	<b>1,046,807,448</b>	<b>0.0%</b>	<b>1,046,807,448</b>	<b>0.0%</b>	
OTHER OPERATING REVENUE	89,305,701	92,152,380	3.2%	102,701,941	11.4%	105,924,587	3.1%	105,924,587	0.0%	105,924,587	0.0%	105,924,587	0.0%	
<b>TOTAL OPERATING REVENUE</b>	<b>1,245,852,354</b>	<b>1,264,938,225</b>	<b>1.5%</b>	<b>1,295,309,994</b>	<b>2.4%</b>	<b>1,315,579,349</b>	<b>1.6%</b>	<b>1,315,579,349</b>	<b>0.0%</b>	<b>1,315,579,349</b>	<b>0.0%</b>	<b>1,315,579,349</b>	<b>0.0%</b>	
<b>OPERATING EXPENSE</b>														
SALARIES NON MD	386,869,572	402,038,753	3.9%	419,350,487	4.3%	426,939,307	1.8%	426,939,307	0.0%	426,939,307	0.0%	426,939,307	0.0%	
FRINGE BENEFITS NON MD	112,964,136	125,840,669	11.4%	132,006,117	4.9%	117,633,655	-10.9%	117,633,655	0.0%	117,633,655	0.0%	117,633,655	0.0%	
FRINGE BENEFITS MD	25,575,661	27,658,198	8.1%	27,010,679	-2.3%	27,455,233	1.6%	27,455,233	0.0%	27,455,233	0.0%	27,455,233	0.0%	
PHYSICIAN FEES SALARIES CONTRACTS	150,895,527	149,413,662	-1.0%	155,179,685	3.9%	158,478,264	2.1%	158,478,264	0.0%	158,478,264	0.0%	158,478,264	0.0%	
HEALTH CARE PROVIDER TAX	64,131,080	66,868,073	4.3%	66,889,902	0.0%	68,997,375	3.2%	68,997,375	0.0%	68,997,375	0.0%	68,997,375	0.0%	
DEPRECIATION AMORTIZATION	47,852,346	52,148,230	9.0%	48,073,712	-7.8%	52,007,581	8.2%	52,007,581	0.0%	52,007,581	0.0%	52,007,581	0.0%	
INTEREST - LONG/SHORT TERM	13,218,300	13,541,490	2.4%	14,003,164	3.4%	17,001,620	21.4%	17,001,620	0.0%	17,001,620	0.0%	17,001,620	0.0%	
OTHER OPERATING EXPENSE	370,295,586	379,502,525	2.5%	382,726,377	0.8%	396,669,781	3.6%	396,669,781	0.0%	396,669,781	0.0%	396,669,781	0.0%	
<b>TOTAL OPERATING EXPENSE</b>	<b>1,171,802,207</b>	<b>1,217,011,600</b>	<b>3.9%</b>	<b>1,245,240,122</b>	<b>2.3%</b>	<b>1,265,182,817</b>	<b>1.6%</b>	<b>1,265,182,817</b>	<b>0.0%</b>	<b>1,265,182,817</b>	<b>0.0%</b>	<b>1,265,182,817</b>	<b>0.0%</b>	
NET OPERATING INCOME (LOSS)	74,050,147	47,926,625	-35.3%	50,069,871	4.5%	50,396,532	0.7%	50,396,532	0.0%	50,396,532	0.0%	50,396,532	0.0%	
NON-OPERATING REVENUE	11,062,297	15,257,311	37.9%	21,191,258	38.9%	17,990,319	-15.1%	17,990,319	0.0%	17,990,319	0.0%	17,990,319	0.0%	
<b>EXCESS (DEFICIT) OF REVENUE OVER EX</b>	<b>85,112,444</b>	<b>63,183,935</b>	<b>-25.8%</b>	<b>71,261,129</b>	<b>12.8%</b>	<b>68,386,852</b>	<b>-4.0%</b>	<b>68,386,852</b>	<b>0.0%</b>	<b>68,386,852</b>	<b>0.0%</b>	<b>68,386,852</b>	<b>0.0%</b>	
Operating Margin %	5.9%	3.8%		3.9%		3.8%		3.8%		3.8%		3.8%		
Bad Debt & Free Care%	1.4%	1.3%		1.6%		1.5%		1.5%		1.5%		1.5%		
Compensation Ratio	57.7%	57.9%		58.9%		57.7%		57.7%		57.7%		57.7%		
Capital Cost % of Total Expenses	5.2%	5.4%		5.0%		5.5%		5.5%		5.5%		5.5%		

**THE UNIVERSITY OF VERMONT MEDICAL CENTER**

*South Burlington Real Estate Acquisition*

**INCOME STATEMENT**

*Table 3B*

**PROJECT ONLY**

	2016	2017	2017		2018		Proposed Yr 1		Proposed Yr 2		Proposed Yr 3		
	Actual	Budget	% change	Actuals	% change	Budget	% change	2019	% change	2020	% change	2021	% change
<b>REVENUES</b>													
INPATIENT CARE REVENUE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
OUTPATIENT CARE REVENUE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
OUTPATIENT CARE REVENUE - PHYSICIAN			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
CHRONIC/SNF PT CARE REVENUE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
SWING BEDS PT CARE REVENUE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
<b>GROSS PATIENT CARE REVENUE</b>	-	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
DISPROPORTIONATE SHARE PAYMENTS			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
BAD DEBT FREE CARE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
DEDUCTIONS FROM REVENUE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
<b>NET PATIENT CARE REVENUE</b>	-	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
OTHER OPERATING REVENUE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
<b>TOTAL OPERATING REVENUE</b>	-	-	#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
<b>OPERATING EXPENSE</b>													
SALARIES NON MD			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
FRINGE BENEFITS NON MD			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
FRINGE BENEFITS MD			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
PHYSICIAN FEES SALARIES CONTRACTS & FRINGES			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
HEALTH CARE PROVIDER TAX			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
DEPRECIATION AMORTIZATION			#DIV/0!		#DIV/0!		#DIV/0!	1,474,801	#DIV/0!	1,474,801	0.0%	1,474,801	0.0%
INTEREST - LONG/SHORT TERM			#DIV/0!		#DIV/0!		#DIV/0!	732,529	#DIV/0!	695,946	-5.0%	657,899	-5.5%
OTHER OPERATING EXPENSE			#DIV/0!		#DIV/0!		#DIV/0!	2,842,972	#DIV/0!	(1,136,314)	-140.0%	(1,140,017)	0.3%
<b>TOTAL OPERATING EXPENSE</b>	-	-	#DIV/0!	-	#DIV/0!		#DIV/0!	5,050,302	#DIV/0!	1,034,433	-79.5%	992,683	-4.0%
NET OPERATING INCOME (LOSS)	-	-	#DIV/0!	-	#DIV/0!		#DIV/0!	(5,050,302)	#DIV/0!	(1,034,433)	-79.5%	(992,683)	-4.0%
NON-OPERATING REVENUE			#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
<b>EXCESS (DEFICIT) OF REVENUE OVER EX</b>	-	-	#DIV/0!	-	#DIV/0!		#DIV/0!	(5,050,302)	#DIV/0!	(1,034,433)	-79.5%	(992,683)	-4.0%



**THE UNIVERSITY OF VERMONT MEDICAL CENTER**

**South Burlington Real Estate Acquisition**

Note: This table requires no "fill-in" as it is populated automatically

**INCOME STATEMENT**

**Table 3C**

**WITH PROJECT**

	2016			2017			2018			Proposed Yr 1		Proposed Yr 2		Proposed Yr 3	
	Actual	Budget	% change	Actuals	% change	Budget	% change	2019	% change	2020	% change	2021	% change		
<b>REVENUES</b>															
INPATIENT CARE REVENUE	713,704,200	737,421,623	3.3%	776,281,792	5.3%	797,212,253	2.7%	797,212,253	0.0%	797,212,253	0.0%	797,212,253	0.0%		
OUTPATIENT CARE REVENUE	1,106,622,568	1,112,544,201	0.5%	1,147,602,729	3.2%	1,175,227,864	2.4%	1,175,227,864	0.0%	1,175,227,864	0.0%	1,175,227,864	0.0%		
OUTPATIENT CARE REVENUE - PHYSICIAN	683,798,434	627,428,060	-8.2%	697,080,498	11.1%	629,052,172	-9.8%	629,052,172	0.0%	629,052,172	0.0%	629,052,172	0.0%		
CHRONIC/SNF PT CARE REVENUE	25,363,139	28,317,956	11.7%	27,181,176	-4.0%	29,308,043	7.8%	29,308,043	0.0%	29,308,043	0.0%	29,308,043	0.0%		
SWING BEDS PT CARE REVENUE	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!		
<b>GROSS PATIENT CARE REVENUE</b>	<b>2,529,488,342</b>	<b>2,505,711,841</b>	<b>-0.9%</b>	<b>2,648,146,194</b>	<b>5.7%</b>	<b>2,630,800,332</b>	<b>-0.7%</b>	<b>2,630,800,332</b>	<b>0.0%</b>	<b>2,630,800,332</b>	<b>0.0%</b>	<b>2,630,800,332</b>	<b>0.0%</b>		
DISPROPORTIONATE SHARE PAYMENTS	18,724,391	18,115,526	-3.3%	17,474,390	-3.5%	13,724,391	-21.5%	13,724,391	0.0%	13,724,391	0.0%	13,724,391	0.0%		
BAD DEBT FREE CARE	(36,040,530)	(31,389,518)	-12.9%	(42,292,297)	34.7%	(39,144,454)	-7.4%	(39,144,454)	0.0%	(39,144,454)	0.0%	(39,144,454)	0.0%		
DEDUCTIONS FROM REVENUE	(1,355,625,548)	(1,319,652,004)	-2.7%	(1,430,720,235)	8.4%	(1,558,572,821)	8.9%	(1,558,572,821)	0.0%	(1,558,572,821)	0.0%	(1,558,572,821)	0.0%		
<b>NET PATIENT CARE REVENUE</b>	<b>1,156,546,653</b>	<b>1,172,785,845</b>	<b>1.4%</b>	<b>1,192,608,052</b>	<b>1.7%</b>	<b>1,046,807,448</b>	<b>-12.2%</b>	<b>1,046,807,448</b>	<b>0.0%</b>	<b>1,046,807,448</b>	<b>0.0%</b>	<b>1,046,807,448</b>	<b>0.0%</b>		
OTHER OPERATING REVENUE	89,305,701	92,152,380	3.2%	102,701,941	11.4%	105,924,587	3.1%	105,924,587	0.0%	105,924,587	0.0%	105,924,587	0.0%		
<b>TOTAL OPERATING REVENUE</b>	<b>1,245,852,354</b>	<b>1,264,938,225</b>	<b>1.5%</b>	<b>1,295,309,994</b>	<b>2.4%</b>	<b>1,315,579,349</b>	<b>1.6%</b>	<b>1,315,579,349</b>	<b>0.0%</b>	<b>1,315,579,349</b>	<b>0.0%</b>	<b>1,315,579,349</b>	<b>0.0%</b>		
<b>OPERATING EXPENSE</b>															
SALARIES NON MD	386,869,572	402,038,753	3.9%	419,350,487	4.3%	426,939,307	1.8%	426,939,307	0.0%	426,939,307	0.0%	426,939,307	0.0%		
FRINGE BENEFITS NON MD	112,964,136	125,840,669	11.4%	132,006,117	4.9%	117,633,655	-10.9%	117,633,655	0.0%	117,633,655	0.0%	117,633,655	0.0%		
FRINGE BENEFITS MD	25,575,661	27,658,198	8.1%	27,010,679	-2.3%	27,455,233	1.6%	27,455,233	0.0%	27,455,233	0.0%	27,455,233	0.0%		
PHYSICIAN FEES SALARIES CONTRACTS	150,895,527	149,413,662	-1.0%	155,179,685	3.9%	158,478,264	2.1%	158,478,264	0.0%	158,478,264	0.0%	158,478,264	0.0%		
HEALTH CARE PROVIDER TAX	64,131,080	66,868,073	4.3%	66,889,902	0.0%	68,997,375	3.2%	68,997,375	0.0%	68,997,375	0.0%	68,997,375	0.0%		
DEPRECIATION AMORTIZATION	47,852,346	52,148,230	9.0%	48,073,712	-7.8%	52,007,581	8.2%	53,482,382	2.8%	53,482,382	0.0%	53,482,382	0.0%		
INTEREST - LONG/SHORT TERM	13,218,300	13,541,490	2.4%	14,003,164	3.4%	17,001,620	21.4%	17,734,149	4.3%	17,697,566	-0.2%	17,659,519	-0.2%		
OTHER OPERATING EXPENSE	370,295,586	379,502,525	2.5%	382,726,377	0.8%	396,669,781	3.6%	399,512,753	0.7%	395,533,467	-1.0%	395,529,764	0.0%		
<b>TOTAL OPERATING EXPENSE</b>	<b>1,171,802,207</b>	<b>1,217,011,600</b>	<b>3.9%</b>	<b>1,245,240,122</b>	<b>2.3%</b>	<b>1,265,182,817</b>	<b>1.6%</b>	<b>1,270,233,119</b>	<b>0.4%</b>	<b>1,266,217,250</b>	<b>-0.3%</b>	<b>1,266,175,500</b>	<b>0.0%</b>		
NET OPERATING INCOME (LOSS)	74,050,147	47,926,625	-35.3%	50,069,871	4.5%	50,396,532	0.7%	45,346,230	-10.0%	49,362,099	8.9%	49,403,849	0.1%		
NON-OPERATING REVENUE	11,062,297	15,257,311	37.9%	21,191,258	38.9%	17,990,319	-15.1%	17,990,319	0.0%	17,990,319	0.0%	17,990,319	0.0%		
<b>EXCESS (DEFICIT) OF REVENUE OVER EX</b>	<b>85,112,444</b>	<b>63,183,935</b>	<b>-25.8%</b>	<b>71,261,129</b>	<b>12.8%</b>	<b>68,386,852</b>	<b>-4.0%</b>	<b>63,336,550</b>	<b>-7.4%</b>	<b>67,352,419</b>	<b>6.3%</b>	<b>67,394,169</b>	<b>0.1%</b>		

Operating Margin %	5.9%	3.8%	3.9%	3.8%	3.4%	3.8%
Bad Debt & Free Care%	1.4%	1.3%	1.6%	1.5%	1.5%	1.5%
Compensation Ratio	57.7%	57.9%	58.9%	57.7%	57.5%	57.7%
Capital Cost % of Total Expenses	5.2%	5.4%	5.0%	5.5%	5.6%	5.6%