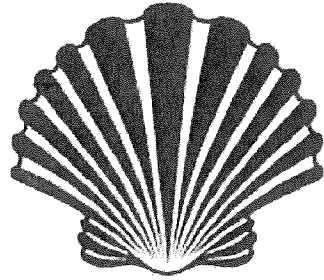


# Southeast Georgia Health System

## Business Plan for the Fiscal Years Ending April 30, 2014 - 2017

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SOUTHEAST GEORGIA  
HEALTH SYSTEM

**Brunswick Campus**

**SOUTHEAST GEORGIA HEALTH SYSTEM - BRUNSWICK CAMPUS  
STATEMENT OF REVENUES AND EXPENSES**

	2012	2013	2014	Budget 2015	Forecast 2016	Forecast 2017
	\$	\$	\$	\$	\$	\$
<b>GROSS PATIENT REVENUE</b>						
Room Accommodation	66,425,000	71,989,000	71,761,000	70,179,000	70,179,000	70,179,000
IP Ancillary Revenue	208,935,000	224,054,000	226,405,000	228,678,000	228,678,000	228,678,000
Total Inpatient Revenue	275,360,000	296,043,000	298,166,000	298,857,000	298,857,000	298,857,000
Total Outpatient Revenue	245,972,000	266,474,000	264,882,000	274,701,000	280,195,000	285,799,000
Total Patient Revenue	521,332,000	562,517,000	563,048,000	573,558,000	579,052,000	584,656,000
<b>REVENUE DEDUCTIONS</b>						
Medicare & Medicaid	216,972,000	232,820,000	241,927,000	244,680,000	245,789,000	246,927,000
Charity Care	33,506,000	36,003,000	34,296,000	35,362,000	35,701,000	36,047,000
Other Revenue Deductions	35,052,000	36,414,000	39,983,000	40,981,000	40,970,000	41,387,000
Bad Debt Expense	24,980,000	26,287,000	26,212,000	26,406,000	26,659,000	26,917,000
Total Revenue Deductions	310,510,000	331,524,000	342,418,000	347,029,000	349,119,000	351,256,000
<b>NET OPERATING REVENUE</b>	210,822,000	220,993,000	220,630,000	226,529,000	229,933,000	233,398,000
Other Operating Revenue	4,381,000	4,687,000	14,088,000	7,594,000	6,870,000	5,939,000
<b>TOTAL OPERATING REVENUE</b>	215,203,000	225,680,000	234,698,000	234,123,000	236,803,000	239,337,000
<b>EXPENSES</b>						
Wages	65,114,000	65,427,000	63,568,000	60,813,000	62,029,000	63,270,000
Benefits	22,129,000	22,749,000	21,563,000	19,103,000	19,676,000	20,266,000
Contract Personnel	4,327,000	5,425,000	6,385,000	6,383,000	6,427,000	6,491,000
Supplies	31,565,000	32,956,000	36,280,000	35,913,000	36,631,000	37,364,000
Drugs and IV's	12,631,000	13,656,000	15,407,000	16,434,000	16,763,000	17,088,000
Physician Fees	6,569,000	5,947,000	6,881,000	6,321,000	6,447,000	6,576,000
Professional Fees	3,546,000	3,654,000	4,824,000	4,312,000	4,395,000	4,466,000
Insurance	2,364,000	2,210,000	4,047,000	2,512,000	2,587,000	2,665,000
Utilities	3,639,000	3,483,000	3,847,000	3,881,000	3,959,000	4,038,000
Outside Services	15,006,000	16,804,000	18,452,000	19,047,000	19,428,000	19,817,000
Depreciation	16,171,000	15,602,000	17,705,000	18,237,000	18,966,000	19,725,000
Provider Tax Expense	2,672,000	2,866,000	3,103,000	3,110,000	3,110,000	3,110,000
Other Expense	5,428,000	5,922,000	5,405,000	5,957,000	6,076,000	6,198,000
<b>TOTAL OPERATING EXPENSE</b>	191,161,000	196,701,000	207,447,000	202,003,000	206,497,000	211,104,000
<b>EXCESS REVENUE OVER EXPENSE</b>	24,042,000	28,979,000	27,251,000	32,120,000	30,306,000	28,233,000
<b>FROM OPERATIONS</b>						
Operating Margin	8.6%	10.6%	10.3%	11.7%	10.9%	9.9%
<b>NON-OPERATING REVENUE (Expenses)</b>						
Investment Income	3,400,000	4,170,000	4,921,000	3,200,000	3,264,000	3,329,000
Interest Expense	(5,935,000)	(5,464,000)	(4,609,000)	(5,691,000)	(5,266,000)	(5,053,000)
Realized Gain (Loss) From Investments	(899,000)	4,826,000	10,581,000	1,600,000	1,616,000	1,632,000
Unrealized Gain (Loss) From Investments	(2,961,000)	6,943,000	(4,321,000)	1,600,000	1,616,000	1,632,000
Other Non-Operating Revenue(Expense)	732,000	(909,000)	55,000	-	-	-
Other Revenue (Minority Interest)	(1,311,000)	(778,000)	(106,100)	(746,000)	(766,000)	(791,000)
<b>TOTAL NON-OPERATING REVENUE (Expenses)</b>	(6,975,000)	8,961,000	5,849,000	(37,000)	460,000	749,000
<b>EXCESS REVENUE OVER EXPENSE</b>	17,067,000	37,940,000	33,100,000	32,083,000	30,766,000	28,982,000
<b>BEFORE INCOME FROM SUBSIDIARIES</b>						
Income From Camden Campus	5,087,000	8,254,000	5,452,000	4,885,000	4,089,000	3,265,000
Income From CHS	(22,730,000)	(27,319,000)	(31,540,000)	(26,139,000)	(26,292,000)	(27,466,000)
Income From SCC-St. Marys	(692,000)	50,000	(776,000)	(192,000)	(286,000)	(384,000)
Income From SCC-Brunswick	(2,542,000)	(488,000)	(2,983,000)	(106,000)	106,000	(180,000)
Income From Foundation	152,000	4,909,000	(3,824,000)	594,000	606,000	618,000
Income From QALICB	-	-	(460,000)	(63,000)	(43,000)	(3,000)
<b>EXCESS REVENUE OVER EXPENSE</b>	(3,655,000)	23,245,000	(1,061,000)	12,533,000	8,945,000	4,842,000
Total Margin	-1.7%	10.5%	-0.5%	5.5%	3.9%	2.1%

**SOUTHEAST GEORGIA HEALTH SYSTEM - BRUNSWICK CAMPUS**  
**STATISTICAL BUDGET**  
**OPERATING STATISTICS COMPARISONS**

	2012	2013	2014	%	BUDGET 2015	%	FORCAST 2016	%	FORCAST 2017	%
<b>ACUTE</b>										
Admissions	11,114	11,499	10,891	(5.3)	10,770	(1.1)	10,770	-	10,770	-
Days	52,648	54,706	52,973	(3.2)	53,020	0.1	53,020	-	53,020	-
Average Length of Stay	4.74	4.76	4.86	2.1	4.92	1.2	4.92	-	4.92	-
Total Admissions (excluding newborns)	11,216	11,499	10,891	(5.3)	10,770	(1.1)	10,770	-	10,770	-
Total Patient Days	53,364	54,706	52,973	(3.2)	53,020	0.1	53,020	-	53,020	-
Average Daily Census	145.8	149.9	145.1	(3.2)	145.3	0.1	145.3	-	145.3	-
Total Observation Days	3,326	3,425	3,503	2.3	3,440	(1.8)	3,509	2.0	3,579	2.0
<b>NEWBORNS</b>										
Births	1,301	1,336	1,291	(3.4)	1,356	5.0	1,360	0.3	1,360	-
Days	3,200	3,212	3,025	(5.8)	3,100	2.5	3,100	-	3,100	-
Average Length of Stay	2.46	2.40	2.34	(2.5)	2.29	(2.1)	2.28	(0.4)	2.28	-
Case Mix Index (Acute only)	1.4525	1.4466	1.4893	3.0	1.5729	5.6	1.5729	-	1.5729	-
Acute Occupancy Rate	62.6%	64.3%	62.3%	(3.2)	62.3%	0.1	62.3%	-	62.3%	-
Cath Lab Procedures	1,468	1,420	1,404	(1.1)	1,340	(4.6)	1,370	2.2	1,400	2.2
Surgeries (1)	2,906	2,998	3,006	0.3	2,998	(0.3)	3,000	0.1	3,000	-
Total Inpatient	2,695	3,086	3,249	5.3	3,310	1.9	3,380	2.1	3,450	2.1
Outpatient	4,141	4,084	3,635	(11.0)	3,710	2.1	3,780	1.9	3,860	2.1
Outpatient Surgery Center	1,891	1,874	1,983	5.8	2,020	1.9	2,060	2.0	2,100	1.9
Endoscopy	-	-	1,660		3,390	104.2	3,460	2.1	3,530	2.0
SGHS Endoscopy Center	8,727	9,044	10,527	16.4	12,430	18.1	12,680	2.0	12,940	2.1
Total Outpatient	11,633	12,042	13,533	12.4	15,428	14.0	15,680	1.6	15,940	1.7
Total Surgeries										

**SOUTHEAST GEORGIA HEALTH SYSTEM - BRUNSWICK CAMPUS**  
**STATISTICAL BUDGET**  
**OPERATING STATISTICS COMPARISONS**

	2012	2013	2014	BUDGET		FORCAST		FORCAST	
				2015	2016	2017	%	%	%
Emergency Visits	50,980	53,218	52,183	53,218	54,280	55,370	2.0	2.0	2.0
Other Outpatient	139,548	146,283	165,377	146,283	149,210	152,190	(11.5)	2.0	2.0
Adjusted Patient Days	101,033	102,100	100,033	101,755	102,729	103,723	1.7	1.0	1.0
Gross Revenue per Adj Pt Day	\$ 5,160	\$ 5,412	\$ 5,629	\$ 5,637	\$ 5,637	\$ 5,637	0.1	-	(0.0)
Net Revenue per Adj Pt Day(Includes Bad Debt)	\$ 2,087	\$ 2,164	\$ 2,206	\$ 2,226	\$ 2,238	\$ 2,250	0.9	0.5	0.5
Expense per Adj Pt Day(Excludes Bad Debt)	\$ 1,951	\$ 1,980	\$ 2,120	\$ 2,041	\$ 2,061	\$ 2,084	(3.7)	1.0	1.1
Total FTE's	1,345	1,316	1,325	1,300	1,303	1,304	(1.9)	0.3	0.0
FTE per Adj Occ Bed	4.87	4.71	4.84	4.66	4.63	4.59	(3.6)	(0.7)	(0.9)
Days Cash on Hand (Incl. Self Ins. Funds)	274.2	290.1	278.7	327.2	363.3	395.8	17.4	11.1	8.9
Net Days in Accounts Receivable	55.7	56.2	63.4	58.0	58.0	58.0	(8.5)	0.0	(0.0)