

Mayers Memorial Hospital District  
FY 2010  
BUDGET ASSUMPTIONS

D

MediCal – general 5% rate reduction to include district hospitals through financing waiver, distinct part SNF, and rural swing beds.

Acute/ OB/Nursery days	1970
ER visits	3,290
Ambulance runs	297
Hospice patients	2676/ADC 7
Intermountain Respiratory	3301 rentals
Cardiac Rehab	72 cardiac monitor visits
LTC days	29,200; ADC 80
Swing bed patient days	773
Outpatient Services	17,485

Charge Master will be updated to 100% market resulting in 7% annualized increase.

Inflation factor will be applied to the following expenses:

Pharmacy 10%                      Medical supplies increase 7%

FTE'S will not exceed the national benchmark...	6 FTE/AOB
Professional Liability Insurance/Optima	\$170,000; 5% decrease
Licensure Costs	increase 17%
Benefits expense	same

Wage adjustments will be held until December; met the 09 objective of eliminating travelers

***Does not include additional revenue/expenditures/volumes for a Rural Health Clinic***

Update: 6/09/09

**MAYERS MEMORIAL HOSPITAL DISTRICT  
RATE SCHEDULE**

<u>SERVICES</u>	<u>07/01/08 RATES</u>	<u>07/01/09 RATES</u>	
SEMI PRIVATE	1,579.00	1,690.00 / DAY	2,965.55 MEDICARE RATE
SWING BED	817.00	875.00 / DAY	750.00 MEDICARE RATE
SNF - Semi Private    EFF '2/09	231.00	231.00 / DAY	
SNF - Dementia Unit    EFF '2/09	240.00	240.00 / DAY	
SNF - Private (unit)    EFF '2/09	262.50	262.50 / DAY	
PEDIATRIC	1,579.00	1,690.00 / DAY	
OBSTETRIC ROOM	1,777.00	1,900.00 / DAY	
NURSERY	815.00	872.00 / DAY	
<u>OPERATING ROOM</u>			
MAJOR - NOW JUST OR TIME	824.50	882.00 / per 15 minute increments	
MINOR - NOW JUST OR TIME	824.50	882.00 / per 15 minute increments	
RECOVERY ROOM	121.00	130.00 / per 15 minute increments	
RECOVERY ROOM	467.00	500.00 / 1ST hour	

\*\*SNF RATE MAY CHANGE DEPENDING ON MCAL RATE NOTIFICATION

**MAYERS MEMORIAL HOSPITAL  
OPERATING BUDGET**

	ACTUAL FYE 2008	PROJECTED FYE 2009	BUDGET FYE 2010	INCREASE	INCREASE %
<b>REVENUE:</b>					
Nursing Service					
Medical/Surgical	\$ 1,766,693	2,243,060	2,820,126	577,066	25.73%
Skilled Nursing	6,761,949	6,652,100	6,716,000	63,900	0.96%
Ancillary Services					
Inpatient	3,056,420	6,843,230	6,005,826	(837,404)	-12.24%
Outpatient	14,867,703	20,286,198	20,020,447	(265,751)	-1.31%
Total Patient Revenue	26,452,765	36,024,588	35,562,399	(462,189)	-1.28%
<b>DEDUCTIONS FROM REVENUE:</b>					
Contractual - Medicare/Medi-Cal	8,829,425	12,822,400	10,834,414	(1,987,986)	-15.50%
Contractual - PPO	730,793	1,330,911	1,105,746	(225,165)	-16.92%
Charity and Other Allowances	621,124	1,315,711	787,635	(528,076)	-40.14%
Total Deductions	10,181,342	15,469,022	12,727,795	(2,741,227)	-17.72%
Net Patient Revenues	16,271,423	20,555,566	22,834,604	2,279,038	11.09%
<b>OTHER OPERATING REVENUE:</b>	100,069	314,048	340,686	26,638	8.48%
Net Revenue	16,371,492	20,869,614	23,175,290	2,305,676	11.05%
<b>OPERATING EXPENSES:</b>					
Productive Salaries	6,145,771	6,989,910	8,293,706	1,303,796	18.65%
Non-Productive Salaries	691,318	909,600	1,095,630	186,030	20.45%
Employee Benefits	1,883,127	2,418,442	2,244,151	(174,291)	-7.21%
Supplies	2,170,391	2,675,923	2,838,235	162,312	6.07%
Professional Fees	1,471,679	1,625,681	1,613,830	(11,851)	-0.73%
Purchased Services	2,829,554	3,687,653	2,646,690	(1,040,963)	-28.23%
Repairs	106,175	121,501	161,434	39,933	32.87%
Utilities	361,122	382,271	465,525	83,254	21.78%
Insurance	152,626	172,634	166,732	(5,902)	-3.42%
Other	123,217	565,898	459,148	(106,750)	-18.86%
Provision For Bad Debts	931,033	1,972,318	1,705,263	(267,055)	-13.54%
Depreciation	581,533	517,643	516,070	(1,573)	-0.30%
Bond Repayment Insurance	0	0	0	0	
Bond Repayment Interest	349,521	194,339	192,000	(2,339)	-1.20%
Interest	150,204	170,268	209,200	38,932	22.87%
Rental & Leases	415,016	594,012	526,374	(67,638)	-11.39%
Total Operating Expenses	18,362,287	22,998,093	23,133,988	135,895	0.59%
Net Operating Revenue (Loss)	(1,990,795)	(2,128,479)	41,302	2,169,781	-101.94%
<b>NONOPERATING REVENUES AND EXPENSE:</b>					
District and County taxes	584,626	118,405	585,000	466,595	394.07%
Interest and donations	27,441	9,786	10,000	214	2.19%
Net grant activity	269,238	11,175	400,000	388,825	3479.42%
Rental Income, net of expense	53,239	35,040	101,652	66,612	190.10%
Other Non-operating expense/rev	(103,336)	(96,218)	(94,938)	1,280	-1.33%
Total Nonoperating Revenue	831,207	78,188	1,001,714	923,526	1181.16%
<b>NET EXCESS OF REVENUE</b>	<b>(1,159,588)</b>	<b>(2,050,291)</b>	<b>1,043,016</b> **	<b>3,093,307</b>	<b>-150.87%</b>

**MAYERS MEMORIAL HOSPITAL DISTRICT  
CAPITAL EXPENDITURES- 3 YEARS**

ONLY \$5,000.00 AND OVER

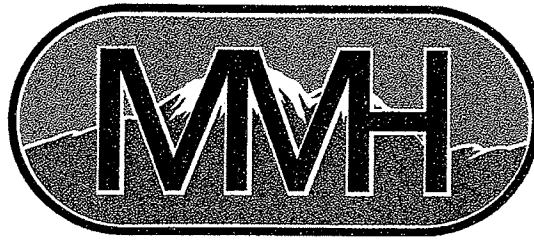
<u>DEPT/DESCRIPTION</u>	<u>FY-2010</u>	<u>FY-2011</u>	<u>FY-2012</u>	<u>TOTAL</u>
<b><u>PLANT OPERATIONS</u></b>				
RE-ROOF M.V.H.C.	15,000.00			
HVAC UNITS -2 PER YR -	17,000.00	18,000.00	19,000.00	
RE-ROOF SECTION OF HOSPITAL	20,000.00	22,000.00	25,000.00	
REPLACE VEHICLE		20,000.00		
SEISMIC UPGRADES	250,000.00			406,000.00
<b><u>RADIOLOGY</u></b>				
UPGRADE CT FROM 6-16 SLICE - FR			186,389.00	
RADIOGRAPH/FLOURO EQMT-DIAGNOST ELEVA - FR		238,000.00		
GEN RADIOGRAPHIC EQMT-DIGITAL DIAGN SINGL DETEC - FR			359,448.70	
PORTABLE X-RAY PRCTIX CONVENIO - FR			39,858.30	
RADIOLOGIST WORKSTATION - FR			40,000.00	
VISAGE PACS - FR			243,721.00	
PORTABLE WIRELESS DIGITAL DETECTOR PER EMAIL - FR			120,000.00	
iU22 ULTRASOUND SYSTEM - FR			186,952.50	
ie33 ULTRASOUND SYSTEM - FR			155,741.50	
MRI PANORAMA HFO - FR			1,810,790.10	
GENERAL RADIOGRAPHIC EQMT ESSENTA DR - BC			231,887.00	
PORTABLE EQMT X-RAY PRACTIX CONVENIO - BC			39,858.30	
PORTABLE WIRELESS DIGITAL DETECTOR PER EMAIL - BC			120,000.00	
EQUIPMT ESSENTA DR - ORTHO CL			231,887.00	
PORTABLE WIRELESS DIGITAL DETECTOR PER EMAIL - ORTHO CL			120,000.00	

<u>DEPT/DESCRIPTION</u>	<u>FY-2010</u>	<u>FY-2011</u>	<u>FY-2012</u>	<u>TOTAL</u>
<b><u>HOUSEKEEPING</u></b>				
RESIDENT WASHING MACHINE	8,000.00			8,000.00
<b><u>PHARMACY</u></b>				
Pyxis Anesthesia	29,220.00			
Pyxis Med Station	68,210.00			
<b><u>EMERGENCY ROOM</u></b>				
EQUIPMT FOR ER MOVE	13,806.00			
transport ventilator	7,640.00			
				21,446.00
<b><u>CARDIAC REHAB</u></b>				
EXERCISE STRESS SYSTEM	35,000.00		26,000.00	
<b><u>COMPUTER / IT</u></b>				
CORE SYSTEM (Mckesson)	800,000.00			
<b><u>HEALTH INFORMATION</u></b>				
Secure Storage Shed	8,580.00			
<b><u>PURCHASING</u></b>				
INTELLITRACK ASSET MGMT	17,510.00	10,000.00		
<b><u>SURGERY</u></b>				
Anesthesia Machine w/ monitor	59,108.00			
<b><u>HUMAN RESOURCES</u></b>				
TIME CARD SYSTEM	15,000.00			
<b><u>OUTPATIENT MEDICAL</u></b>				
DYNAMAP MONITOR	4,800.00			
<b><u>SNF/LTC</u></b>				
ARJO LIFT (FULL BODY) -2-	8,000.00			
ARJO LIFT (SHOWER) -2-	7,000.00			
ARJO LIFT (STAND ASSIT) -2-	5,000.00			
<b><u>DIETARY</u></b>				
DISHWASHER - FALL RIVER	8,000.00		10,000.00	
CONVECTION OVEN				
WARMER - BURNEY	5,000.00			

CAPITAL EXPENDITURES of LE

6/9/2009

<u>DEPT/DESCRIPTION</u>	<u>FY-2010</u>	<u>FY-2011</u>	<u>FY-2012</u>	<u>TOTAL</u>
<b>RESPIRATORY</b>				
ELITE DL SYSTEM W/SOFTWARE	33,784.89			
<b>LAB</b>				
ANALYSERS -2- (leases)	25,502.00			
SOFTWARE PACKAGE	6,000.00	6,000.00		
Microbiology System	39,000.00			
<b>ACUTE</b>				76,502.00
patient beds - 4@7500	33,867.00			
EKG 7590 - 12 lead	7,715.00			
<b>CARDIAC MONITORING SYSTEM</b>				
INFRAS.				
ER	94,734.30			
ACUTE *	72,263.36			
RECOVERY	85,645.36			
CARDIAC REHAB	27,084.28			
	10,141.50			
DISCOUNT	-74,000.00			
<b>TOTAL OF EACH YEAR</b>	<u>1,763,611.69</u>	<u>344,000.00</u>	<u>3,956,533.40</u>	<u>511,948.00</u>



**Mayers Memorial Hospital District**

**Chief Executive Officer**  
Katharine Ann Campbell, FACHE

**Board of Directors**  
Michael D. Kerns, President  
Gail McClung, Vice President  
Jim Hamlin, Treasurer  
Ruth E. Knoch, Secretary  
Allen Albaugh

**BOARD OF DIRECTORS**

**RESOLUTION 2009-2**

WHEREAS, the Governing Board of Directors is responsible for the preparation and adoption of a final budget, which provides a financial plan, including estimated revenues, expenditures and reserves, for operation during the fiscal year July 1 through June 30.

WHEREAS, the budget submitted is required by law to be a balanced operating budget for year 7/1/09-6/30/10: Total Patient Revenue \$35,562,399 with a bottom line of \$1,043,016.

NOW, THEREFORE, the undersigned certifies and attests that the above resolution was approved at a regular meeting of the Board of Directors, Fall River Mills, California, the 24th day of June 2009.

PASSED AND ADOPTED on June 24, 2009 by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Michael Kerns, President  
Board of Directors

\_\_\_\_\_  
Date

\_\_\_\_\_  
Ruth E. Knoch, Secretary  
Board of Directors