

DeSoto Memorial Hospital

2023 Budget and 4 Year Projection

Desoto Memorial Hospital Budget and 4 Year Projections

FOR BUDGET 2023

Pri 2021 Pri 2021 Pri 2021 Pri 2025 Pri 2025 Pri 2025 Pri 2025 Pri 2025 Assumption Inpainert floquial Revenue Dotatelet froquial Revenue State of State of State of State of State of State of State of Stat	FOR BUDGET 2023	Actual September 2021	Projected September 2022	Budget	Projection	Projection	Projection	Projection	FY21 and Future
REVENUE S33,224.50 S18,873,533 E20,411,610 E21,224,000 E22,090,427 E23,001,420 Wolking 3% Rule Increase. 1% Youne 3% rule In Six Source 3% Rule Increase. 1% Youne 3% rule In Six Source 3% Rule Increase. 3% Youne and 3% rule In Six Source 3% Rule Increase. Departem Hospital Revenues \$10,820,1188 \$12,221,377 \$1,300,019 \$13,423,074 \$1,540,003 \$1,570,000 Increase. 3% Youne and 3% rule In Six Source 3% Rule Increase. Physician Fox Revenues \$11,85,240 \$1,221,377 \$1,300,019 \$14,400,527 \$15,44,000 \$15,570,002 \$15,570,002 \$15,570,002 \$15,500,004 \$15,004,007 \$1				-	-	-	-	-	
Impatient Haspital Revenues \$33,224,30 \$18,873,333 \$20,011,010 \$21,244,003 \$22,200,047 \$22,000,43 \$W Volume: 3W Rate Increase; 3W volume and 3W rate information: 3W rate increase; 3W volume and 3W rate information: 3W rate increase; 3W volume and 3W rate increase; 3W volu	REVENUE							-	· · · · · ·
Outpatient Hospital Revenues \$108.251,185 \$126.268.327 \$136.588.385 \$14.406.622 \$158.731.443 \$168.093.688 \$173.026.081 ferentet: Physician Fee Revenues \$31,186.244 \$1.221.377 \$31.300.315 \$14.406.622 \$15.470.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.407.021 \$1.400.023 \$1.407.021 <t< td=""><td></td><td>\$33,224,530</td><td>\$18,873,333</td><td>\$20,411,510</td><td>\$21,234,093</td><td>\$22,089,827</td><td>\$22,980,047</td><td>\$23,906,143</td><td>3% Volume, 3% Rate Increase; 1% Volume 3% rate thereafter</td></t<>		\$33,224,530	\$18,873,333	\$20,411,510	\$21,234,093	\$22,089,827	\$22,980,047	\$23,906,143	3% Volume, 3% Rate Increase; 1% Volume 3% rate thereafter
Clinic DCSO Revenues \$338,580 \$338,580 \$410,537 \$422,854 \$435,539 \$448,605 \$462,063 3% Rate Increase Other Objektion Service Arrytolia - and Other Dupatient Hospilal, Physician Clinic, and Other Dupatient \$14,475,559 \$13,112,002 \$14,180,005 \$15,044,229 \$15,960,407 \$16,832,401 \$17,983,609 \$woultre and 3% rate physician Clinic, and Other Dupatient Total Gross Revenue Year to Year Grown Year To Year Year Year Year Year Year To Year Year Year Year Year Year Year To Year Year Year Year Year Year To Year Ye	Outpatient Hospital Revenues	\$108,251,188	\$126,295,327	\$136,588,396	\$144,906,629	\$153,731,443	\$163,093,688		5% volume, 3% Rate Increase; 3% volume and 3% rate thereafter
Clinic DCSO Revenues \$338,580 \$338,580 \$410,537 \$422,854 \$435,539 \$448,605 \$462,063 3% Rate Increase Other Objektion Service Arrytolia - and Other Dupatient Hospilal, Physician Clinic, and Other Dupatient \$14,475,559 \$13,112,002 \$14,180,005 \$15,044,229 \$15,960,407 \$16,832,401 \$17,983,609 \$woultre and 3% rate physician Clinic, and Other Dupatient Total Gross Revenue Year to Year Grown Year To Year Year Year Year Year Year To Year Year Year Year Year Year Year To Year Year Year Year Year Year To Year Ye									
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Revenue S14,475,589 \$13,112,062 \$14,102,085 \$15,044,299 \$15,040,497 \$16,932,491 \$17,963,800 hereafter Outpatient, Clinic, and Other Outpatient \$124,313,576 \$141,027,346 \$152,000,548 \$161,802,857 \$182,145,765 \$193,268,038 Total Gross Revenue \$157,558,106 \$159,900,679 \$171,672,482 \$193,762,310 \$202,157,553 \$217,165,082 Year to Year Growth \$14,473,578 \$159,000,779 \$171,672,482 \$193,762,310 \$202,157,553 \$217,165,082 Year to Year Growth \$16,902,875 \$193,762,310 \$202,517,553 \$217,165,082 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,765,82 \$193,762,82 \$193,762,82 \$193,765,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$110,92,92,92 \$193,762,82	Clinic/DCSO Revenues	\$398,580	\$398,580	\$410,537	\$422,854	\$435,539	\$448,605	\$462,063	3% Rate Increase
Revenue S14,475,589 \$13,112,062 \$14,102,085 \$15,044,299 \$15,040,497 \$16,932,491 \$17,963,800 hereafter Outpatient, Clinic, and Other Outpatient \$124,313,576 \$141,027,346 \$152,000,548 \$161,802,857 \$182,145,765 \$193,268,038 Total Gross Revenue \$157,558,106 \$159,900,679 \$171,672,482 \$193,762,310 \$202,157,553 \$217,165,082 Year to Year Growth \$14,473,578 \$159,000,779 \$171,672,482 \$193,762,310 \$202,157,553 \$217,165,082 Year to Year Growth \$16,902,875 \$193,762,310 \$202,517,553 \$217,165,082 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,765,82 \$193,762,82 \$193,762,82 \$193,765,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$193,762,82 \$110,92,92,92 \$193,762,82									
Physician, Clinic, and Other Outpationt S124,313,576 \$141,027,346 \$152,500,548 \$161,802,357 \$171,1572,422 \$182,145,705 \$193,258,938 Total Gross Revenue Verto Year Growth after price Increase \$157,531,606 \$159,500,679 \$172,912,057 \$183,056,650 \$593,257,53 \$217,155,082 \$277,215,082 \$298 \$2.99 \$2.88 \$2.10,28.22 \$2.99 \$2.86,191,946 \$2.7,272,92.15 Assume remains constant % Discourds Adjustmonts \$1.266,984 \$1.0,50,302 \$1.1,35,767	Revenue	\$14,475,559	\$13,112,062	\$14,180,695	\$15,044,299	\$15,960,497	\$16,932,491		
Total Gross Revenue Year to Year Growth Year to Year Growth \$157,538,106 11.4% \$159,900.679 11.4% \$172,912,057 5.9% \$183,036,450 5.9% \$205,125,753 5.9% \$217,165,002 5.9% \$210,942,205 5.9% \$21,92,105 5.9% \$21,92,105 5.9% \$21,92,107 5.9% \$21,426,441 5.9% Assume remains constant % Discourts & Adjustments Provision for Uncoleicible Acts \$1,206,98 \$12,304,673 \$22,995,725 \$22,91,175 \$2,901,785 \$33,071,964 \$3,352,265 Assume remains constant % Indigent Care (Charity) Discourts, Bud Deki, and Charity Weat or Year Growth \$117,17,19,23 \$14,170,008 \$1	Physician, Clinic, and Other	\$124.313.576	\$141.027.346	\$152,500,548	\$161.802.357	\$171.672.482	\$182.145.706	\$193.258.938	
Ver to Year Growth 11.4% 1.5% 2.4% 5.9% </td <td></td> <td>÷ : = 1,5 70,010</td> <td>÷ · · · ,• = / ,• · •</td> <td></td> <td></td> <td>÷···;•·2,102</td> <td>, , ,</td> <td>÷ · · · · · · · · · · · · · · · · · · ·</td> <td>1</td>		÷ : = 1,5 70,010	÷ · · · ,• = / ,• · •			÷···;•·2,102	, , ,	÷ · · · · · · · · · · · · · · · · · · ·	1
Vear forwith arry price increases 8.4% -2.9% 5.1% 2.9% 2.9% 2.9% 2.9% 2.9% DEDUCTIONS FROM REVENUE Line Sequention reinstated 0 2030 Currently \$2.3million per year. I Other Contractual St78.962.738 \$80.074.307.25 \$86.590.064 \$92.118.430 \$98.004.114 \$104.270.452 \$10.94.290 Sequention reinstated 72.22 Net 51.3million. Other Contractual St71.174.589 \$20.417.280 \$22.078.668 \$23.371.424 \$24.740.979 \$26.191.946 \$31.426.441 Assume remains constant % Provision for Uncollectible St11.717.983 \$14.187.008 \$15.341.428 \$16.239.703 \$17.191.343 \$18.196.51 \$19.267.272 Assume remains constant %									
REVENUE Image: State	Year to Year Growth after price								
Medicaid Contractual Adj State of the Contractual Adjustments State of the Contractual State of									
Adjustments \$21,174,589 \$20,417,280 \$22,078,668 \$23,371,424 \$24,740,979 \$26,191,946 \$27,729,215 Assume remains constant % Discounts & Adjustments \$1,266,984 \$1,050,302 \$1,135,767 \$1,202,268 \$1,272,721 \$1,347,361 \$1,426,441 Assume remains constant % Provision for Uncollectible \$4,206,298 \$2,394,673 \$2,589,532 \$2,741,155 \$2,901,785 \$3,071,964 \$3,252,265 Assume remains constant % Indigent Care (Charity) \$11,717,983 \$14,187,008 \$15,341,428 \$16,239,703 \$17,191,343 \$18,199,551 \$19,267,727 Assume remains constant % Discounts, Bad Debt, and Charity \$11,717,983 \$14,187,008 \$16,239,703 \$17,191,343 \$18,199,551 \$19,267,727 Assume remains constant % Discounts, Bad Debt, and Charity \$11,717,983 \$14,187,008 \$19,066,728 \$20,183,126 \$22,818,877 \$23,946,433 Vear to Year Growth \$63.6% \$62.8% \$61.1% \$5.9% \$5.9% \$5.9% \$5.9% \$5.9% \$5.9% \$5.9% \$5.9% \$5.9% \$5.9% \$5.9% \$5.9% \$5.9% \$5.9%		\$78,962,738	\$80,074,307.25	\$86,590,084	\$92,118,430	\$98,004,114	\$104,270,452		Payment Match Program started FY22 Net \$1.3million. 2% MCR
Provision for Uncollectible Accts \$4,206,298 \$2,394,673 \$2,589,532 \$2,741,155 \$2,901,785 \$3,071,964 \$3,252,265 Assume remains constant % Indigent Care (Charity) \$11,717,983 \$14,187,008 \$15,341,428 \$16,239,703 \$17,191,343 \$18,199,551 \$19,267,727 Assume remains constant % Discounts, Bad Debt, and Charity \$17,191,265 \$17,631,983 \$19,066,726 \$20,183,126 \$21,365,849 \$22,618,877 \$23,946,433 Discounts, Bad Debt, and Charity \$10,9% 11.0% 11.0% 11.0% 11.0% 11.0% 11.0% Vear to Year Growth -8.5% 2.6% 8.1% 5.9%		\$21,174,589	\$20,417,280	\$22,078,668	\$23,371,424	\$24,740,979	\$26,191,946	\$27,729,215	Assume remains constant %
Accts \$4,206,298 \$2,394,673 \$2,589,532 \$2,741,155 \$2,901,785 \$3,071,964 \$3,252,265 Assume remains constant % Indigent Care (Charity) \$11,717,983 \$14,187,008 \$15,341,428 \$16,239,703 \$117,191,343 \$18,199,551 \$19,267,727 Assume remains constant % Discounts, Bad Debt, and Charity % of Gross Revenue \$17,191,265 \$17,61,983 \$19,066,726 \$20,183,126 \$21,365,849 \$22,21,81,877 \$23,346,433 Discounts, Bad Debt, and Charity % of Gross Revenue 10.9% 11.0% 11.0% 11.0% 11.0% 11.0% 11.0% Year to Year Growth 8.5.5% 2.6% 8.1% 5.5% 5.5% 5.5% 63.8% 63.8% 63.9% <td< td=""><td>Discounts & Adjustments</td><td>\$1,266,984</td><td>\$1,050,302</td><td>\$1,135,767</td><td>\$1,202,268</td><td>\$1,272,721</td><td>\$1,347,361</td><td>\$1,426,441</td><td>Assume remains constant %</td></td<>	Discounts & Adjustments	\$1,266,984	\$1,050,302	\$1,135,767	\$1,202,268	\$1,272,721	\$1,347,361	\$1,426,441	Assume remains constant %
Discounts, Bad Debt, and Charity \$17,191,265 \$17,631,983 \$19,066,726 \$20,183,126 \$21,365,849 \$22,618,877 \$23,946,433 Discounts, Bad Debt, and Charity 10.9% 11.0% 5.9% 5.9% 5.9% 5.9% 5.9% 6.3.9% 63.9% 63.9% 63.9% 6.3% 6.3% 6.3% 6.3% </td <td></td> <td>\$4,206,298</td> <td>\$2,394,673</td> <td>\$2,589,532</td> <td>\$2,741,155</td> <td>\$2,901,785</td> <td>\$3,071,964</td> <td>\$3,252,265</td> <td>Assume remains constant %</td>		\$4,206,298	\$2,394,673	\$2,589,532	\$2,741,155	\$2,901,785	\$3,071,964	\$3,252,265	Assume remains constant %
Discounts, Bad Debt, and Charity Image: Construct of Con	Indigent Care (Charity)				\$16,239,703		\$18,199,551		
Discount of Gross Revenue -8.5% 2.6% 8.1% 5.9% 5.9% 5.9% Year to Year Growth -8.5% 2.6% 8.1% 5.9% 5.9% 5.9% Contractual % of Gross Revenue 63.6% 62.8% 62.8% 63.1% 63.3% 63.6% 63.9% Contractuals Year to Year Growth 15.0% 0.4% 8.1% 6.3% 6.3% 6.3% 6.3% Total Deductions From Revenue \$117,328,592 \$118,123,570 \$127,735,477 \$135,672,980 \$144,110,942 \$153,081,275 \$162,617,938 Percent of Gross Revenue 74.5% 73.9% 73.9% 74.1% 74.4% 74.6% 74.9% Year to Year Growth 10.8% 0.7% 8.1% 6.2% 6.2% 6.2% 6.2% 6.2%	Discounts, Bad Debt, and Charity	\$17,191,265	\$17,631,983	\$19,066,726	\$20,183,126	\$21,365,849	\$22,618,877	\$23,946,433	
Contractual % of Gross Revenue 63.6% 66.2.8% 62.8% 63.1% 63.3% 63.6% 63.9% Contractuals Year to Year Growth 15.0% 0.4% 8.1% 6.3% 6.3% 6.3% 6.3% 6.3% Total Deductions From Revenue \$117,328,592 \$118,123,570 \$127,735,477 \$135,672,980 \$144,110,942 \$153,081,275 \$162,617,938 Percent of Gross Revenue 74.5% 73.9% 73.9% 74.1% 74.4% 74.6% 74.9% Year to Year Growth 10.8% 0.7% 8.1% 6.2% 6.2% 6.2% 6.2% 6.2%	· · · · · · · · · · · · · · · · · · ·	10.9%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	
Contractual % of Gross Revenue Contractual % of Gross Revenue 15.0% 0.4% 8.1% 6.3% 6.3% 6.3% 6.3% Contractuals Year to Year Growth 15.0% 0.4% 8.1% 6.3% 6.3% 6.3% 6.3% Total Deductions From Revenue \$117,328,592 \$118,123,570 \$127,735,477 \$135,672,980 \$144,110,942 \$153,081,275 \$162,617,938 Percent of Gross Revenue 74.5% 73.9% 73.9% 74.1% 74.4% 74.6% 74.9% Year to Year Growth 10.8% 0.7% 8.1% 6.2% 6.2% 6.2% 6.2%									
Growth Growth Image: Construct of Const									
Revenue \$117,328,592 \$118,123,570 \$127,735,477 \$135,672,980 \$144,110,942 \$153,081,275 \$162,617,938 Percent of Gross Revenue 74.5% 73.9% 73.9% 74.1% 74.6% 74.9% Year to Year Growth 10.8% 0.7% 8.1% 6.2% 6.2% 6.2% 6.2%									
Year to Year Growth 10.8% 0.7% 8.1% 6.2% 6.2% 6.2%	Revenue								
	Percent of Gross Revenue	74.5%	73.9%	73.9%	74.1%	74.4%	74.6%	74.9%	
NET ATTENT NEVENUE #40.203.314 #41.777.103 #40.170.300 #47.303.470 #43.001.307 #32.044.470 #34.347.143	Year to Year Growth NET PATIENT REVENUE	10.8% \$40,209,514	0.7% \$41,777,109	8.1% \$45,176,580	6.2% \$47,363,470	6.2% \$49,651,367	6.2% \$52,044,478	6.2% \$54,547,143	
Year to Year Growth 13.2% 17.6% 8.1% 4.8% 4.8% 4.8% 4.8% Net to Gross 25.5% 26.1% 26.1% 25.9% 25.6% 25.4% 25.1%	Year to Year Growth	13.2%	17.6%	8.1%	4.8%	4.8%	4.8%	4.8%	
OTHER OPERATING									
REVENUE S0 \$0 - - - - Pharmacy Outreach \$0 \$0 - - - - -		\$0	\$0	_	_	-	-		
Other Oper Revenue \$53,703 \$55,000 \$55,000 \$55,000 \$55,000 \$55,000 \$55,000 MedRecs, Scrap, Misc	Other Oper Revenue	\$53,703	\$55,000						
Total Other Revenue \$53,703 \$55,000 \$55,000 \$55,000 \$55,000 \$55,000 Year to Year Growth NA NA 0.0% 0.									
Total Operating Revenue \$40,263,217 \$41,832,109 \$45,231,580 \$47,418,470 \$49,706,367 \$52,099,478 \$54,602,143 Year to Year Growth 4.3% 3.9% 8.1% 4.8% 4.8% 4.8% 4.8%									

Desoto Memorial Hospital Budget and 4 Year Projections

FOR BUDGET 2023

FOR BUDGET 2023	Actual September 2021	Projected September 2022	Budget	Projection	Projection	Projection	Projection	FY21 and Future
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Assumptions
EXPENSES								
Salaries & Wages	\$15,251,522	\$16,451,915	\$17,965,491	\$18,689,500	\$19,442,687	\$20,226,228	\$21,041,345	4% rate Increase until 2023 CMS Wage Index, then 3%. 5% volume in 2023, then 1% thereafter.
Contract Labor	\$2,808,136	\$4,711,814	\$3,533,861	\$3,639,876	\$3,749,073	\$3,861,545	\$3,977,391	Reduce reliance on contract labor 25%; 3% increase thereafter
Labor Sub-total Year to Year Growth	\$18,059,658 14.5%	\$21,163,729 17.2 %	\$21,499,352 1.6 %	\$22,329,377 3.9 %	\$23,191,760 3.9 %	\$24,087,772 3.9 %	\$25,018,736 3.9 %	
Percent of Operating Revenue	44.9%	50.6%	47.5%	47.1%	46.7%	46.2%	45.8%	
Benefits	\$4,467,595 36.9 %	\$3,698,089 - 17.2 %	\$4,159,463 12.5%	\$4,456,902 7.2 %	\$4,775,610 7.2 %	\$5,117,109 7.2 %	\$5,483,029 7.2%	3% regulatory and aging workforce
Year to Year Growth Compensation Sub-total	\$ 22,527,253	\$ 24,861,818	\$ 25,658,814	\$ 26,786,278		\$ 29,204,882	\$ 30,501,764	
Year to Year Growth Percent of Operating Revenue	18.4% 55.9%	10.4% 59.4%	3.2% 56.7%	4.4% 56.5%	4.4% 56.3%	4.4% 56.1%	4.4% 55.9%	
EXPENSES - cont.								
Fees - Physician	\$2,253,517	\$2,336,221	\$2,454,434	\$2,578,628	\$2,709,107	\$2,846,188	\$2,990,205	2% market increase; 3% volume
Fees - Other	\$5,394,637	\$5,800,353	\$6,093,851	\$6,402,200	\$6,726,151	\$7,066,494	\$7,424,059	2% market; 3% volume
Supplies	\$6,166,902	\$5,351,095	\$5,955,769	\$6,318,475	\$6,703,270	\$7,111,499	\$7,544,590	Market inflation 6%, volume 5%; 3% and 3% thereafter
Rx Outreach Supplies	\$101,308	\$0						Program ceased with loss of 340(b) status
Utilities	\$783,677	\$1,000,320	\$1,060,339	\$1,123,960	\$1,191,397	\$1,262,881		6% increase
Repairs and Maintenance	\$1,245,857	\$1,041,493	\$1,243,568	\$1,155,746	\$1,213,533	\$1,274,210		2021 includes \$250,000 OR Reconstruction. 5% aging of plant and inflation. FY23 HVAC recoring \$150,000
Rents and Leases	\$891,578	\$917,123	\$785,465	\$801,175	\$817,198	\$833,542	\$850,213	2% increase. 6 month rent of MRI @ \$25K/mo
	\$501,821	\$396,493	\$475,792	\$504,339	\$534,599 \$014,654	\$566,675		20% market factors P&C 6% thereafter
Other Expenses Physician Recruitment	\$904,522 \$0	\$834,293 \$0	\$859,322 \$0	\$885,101 \$0	\$911,654 \$0	\$939,004 \$0	\$967,174 \$0	3% inflation
Marketing & Public Relations	\$100,716	\$100,577	\$103,594	\$106,702	\$109,903	\$113,200	\$116,596	3% inflation
Total Expenses	\$40,871,788	\$42,639,786	\$44,690,948	\$46,662,604	\$48,884,184	\$51,218,576	\$53,671,851	
Year to Year Growth	7.9%	4.3%	4.8%	4.4%	4.8%	4.8%	4.8%	
Earnings Before Deprec, Int, and Tax	(\$608,571)	(\$807,677)	\$540,632	\$755,866	\$822,184	\$880,902	\$930,292	
Year to Year Growth	-185.1%	32.7%	-166.9%	39.8%	8.8%	7.1%	5.6%	
EBDIT % (Approx cash inflow)	-1.51%	-1.93%	1.20%	1.59%	1.65%	1.69%	1.70%	
Capital Expenses:								
Interest Expense Trustee or Bond Fees	\$679,776 \$1,341	\$601,244 \$2,700	\$637,682 \$3,700	\$586,667 \$3,700	\$539,734 \$3,700	\$496,555 \$3,700	\$456,831 \$3,700	MRI and Addition\$5million GE Loan \$2million @ 6% interest
Depreciation & Amortization Total Capital Expenses	\$1,853,838 \$2,534,955	\$1,658,618 \$2,262,562	\$1,978,901 \$2,620,283	\$2,203,171 \$2,793,538	\$2,235,869 \$2,779,303	\$2,266,933 \$2,767,188		FY23 \$4million MRI project; \$1million thereafter
Year to Year Growth	⊅2,534,955 0.4%	⊅∠,202,302 -10.7%	Φ2,020,203 15.8%	⊅∠,793,538 6.6%	\$∠,779,303 -0.5%	⊅∠,707,100 - 0.4 %	₽2,750,974 -0.4 %	
OPERATING INCOME /								
(LOSS) Op Income %	(\$3,143,526) -7.8%	(\$3,070,239) -7.3%	(\$2,079,651) -4.6%	(\$2,037,672) -4.3%	(\$1,957,120) -3.9%	(\$1,886,286) -3.6%	(\$1,826,682) -3.3%	
Year to Year Growth	-66.5%	6.0%	37.4%	6.5%	8.4%	8.0%	7.6%	I

Desoto Memorial Hospital Budget and 4 Year Projections

FOR BUDGET 2023

	Actual September 2021	Projected September 2022	Budget	Projection	Projection	Projection	Projection	FY21 and Future
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Assumptions
OTHER INCOME Investment Income	\$43,204	\$33,245	\$33,577	\$33,913	\$34,252	\$34,595		No major change in rates FY 21Federal PPP \$2.7million covers April/May 2020
C19 Prov ReliefFunds/Payroll Protection Loan Forgiveness	\$6,685,259	\$1,107,000	\$0	\$0	\$0	\$0		Expensesand PRF \$4million covers C19 losses through June 30 2021. CARES IV \$1,207.000 in FY22
Local/State/Federal Award Grants	\$156,559	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	No change
Gifts, Grants, Sales Tax Income	\$1,817,267	\$2,207,613	\$2,273,841	\$2,342,057	\$2,412,318	\$2,484,688	\$2,559,229	Sales Tax growth 3%
Rental Income Other Non-Oper Income	\$108,000 \$586,692	\$0 \$14,636	\$0 \$25,000	\$0 \$25,000	\$0 \$25,000	\$0 \$25,000		Clinic Building 2021 includes OR Property Ins Funds Received
Total Non-Oper. Income (Exp) Year to Year Growth	\$9,396,981 297.8 %	\$3,412,494 - 63.7%	\$2,382,419 - 30.2%	\$2,450,970 2.9%	\$2,521,571 2.9%	\$2,594,283 2.9%	\$2,669,169 2.9%	
NET INCOME/(LOSS)	\$6,253,455	\$342,255	\$302,768	\$413,298	\$564,451	\$707,997	\$842,487	
Net Income %	15.5%	0.8%	0.7%	0.9%	1.1%	1.4%	1.5%	

Desoto Memorial Hospital STATEMENT OF REVENUE AND EXPENSES BUDGET 2023

	Actual September 2021	Projected September 2022	Budget		
	FY 2021	FY 2022	FY 2023	Change	
REVENUE					
Inpatient Hospital Revenues	\$33,224,530	\$18,873,333	\$20,411,510	\$1,538,177	
Outpatient Hospital Revenues	\$108,251,188	\$126,295,327	\$136,588,396	\$10,293,069	
Physician Fee Revenues	\$1,188,249	\$1,221,377	\$1,320,919	\$99,542	
Clinic Revenues	\$398,580	\$398,580	\$410,537	\$11,957	
Other Outpatient Service Revenue	\$14,475,559	\$13,112,062	\$14,180,695	\$1,068,633	
Total Gross Revenue	\$157,538,106	\$159,900,679	\$172,912,057	\$13,011,378	

DEDUCTIONS FROM REVENUE

Medicare & Medicaid Contractual	\$78,962,738	\$80,074,307	\$86,590,084	\$6,515,777
Discounts & Adjustments	\$1,266,984	\$1,050,302	\$1,135,767	\$85,465
Other Contractual Adjustments	\$21,174,589	\$20,417,280	\$22,078,668	\$1,661,387
Indigent Care (Charity)	\$11,717,983	\$14,187,008	\$15,341,428	\$1,154,420
Provision for Uncollectible Acccounts	\$4,206,298	\$2,394,673	\$2,589,532	\$194,858
Total Deductions From Rev	\$117,328,592	\$118,123,570	\$127,735,477	\$9,611,907
NET PATIENT REVENUE	\$40,209,514	\$41,777,109	\$45,176,580	\$3,399,471
OTHER OPERATING REVENUE				
Pharmacy Outreach	\$0			\$0
Other Operating Revenue	\$53,703	\$55,000	\$55,000	\$0
Total Other Revenue	\$53,703	\$55,000	\$55,000	\$0
NET REVENUE	\$40,263,217	\$41,832,109	\$45,231,580	\$3,399,471

Desoto Memorial Hospital STATEMENT OF REVENUE AND EXPENSES BUDGET 2023

	Actual September 2021	Projected September 2022	Budget	
-	FY 2021	FY 2022	FY 2023	Change
EXPENSES				
Salaries & Wages	\$15,251,522	\$16,451,915	\$17,965,491	\$1,513,576
Contract Labor	\$2,808,136	\$4,711,814	\$3,533,861	(\$1,177,954)
Benefits	\$4,467,595	\$3,698,089	\$4,159,463	\$461,374
Fees - Physician	\$2,253,517	\$2,336,221	\$2,454,434	\$118,213
Fees - Other	\$5,394,637	\$5,800,353	\$6,093,851	\$293,498
Supplies	\$6,166,902	\$5,351,095	\$5,955,769	\$604,674
Pharmacy Outreach Supplies	\$101,308	\$0	\$0	\$0
Utilities	\$783,677	\$1,000,320	\$1,060,339	\$60,019
Repairs and Maintenance	\$1,245,857	\$1,041,493	\$1,243,568	\$202,075
Rents and Leases	\$891,578	\$917,123	\$785,465	(\$131,658)
Insurance	\$501,821	\$396,493	\$475,792	\$79,299
Other Expenses	\$904,522	\$834,293	\$859,322	\$25,029
Physician Recruitment	\$0	\$0	\$0	\$0
Marketing & Public Relations	\$100,716	\$100,577	\$103,594	\$3,017
Total Expenses	\$40,871,788	\$42,639,786	\$44,690,948	\$2,051,162
EBITDA	(\$608,571)	(\$807,677)	\$540,632	\$1,348,310
CAPITAL EXPENSES				
Interest Expense	\$679,776	\$601,244	\$637,682	\$36,438
Bond fees	\$1,341	\$2,700	\$3,700	
Depreciation & Amortization	\$1,853,838	\$1,658,618	\$1,978,901	\$320,283
Total Canital Evanance	¢0 504 055	¢0,000,500	¢0,000,000	\$0 \$257 724
Total Capital Expenses	\$2,534,955	\$2,262,562	\$2,620,283	\$357,721
OPERATING INCOME/(LOSS)	(\$3,143,526)	(\$3,070,239)	(\$2,079,651)	\$990,588
OTHER INCOME:				
Investment Income	\$43,204	\$33,245	\$33,577	\$332
C19 Payroll Protection Loan Forgiveness	\$6,685,259	\$1,107,000	\$0	(\$1,107,000)
Grants and Sales Tax Ordnance Income	\$1,817,267	\$2,207,613	\$2,273,841	\$66,228
Federal Award Grants	\$156,559	\$50,000	\$50,000	\$00,228 \$0
Rental Income	\$108,000	\$0	\$0	\$0
Other Non-Oper Income(Exp)	\$586,692	\$14,636	\$25,000	\$10,364
Total Non-Oper. Income(Ex	\$9,396,981	\$3,412,494	\$2,382,419	(\$1,030,075)
NET INCOME/ (LOSS)	\$6,253,455	\$342,255	\$302,768	(\$39,487)

Desoto Memorial Hospital FY22 and FY23 Volume Projections

					Compared to	
	FY 21	FY 22	FY 22	FY 23	FY22	
	Actual	Projected	Budget	Budget	Projection	Assumptions
PATIENT DAYS:	3,889	2,049	3,757	2,110		See discharge assumption. ALOS remains same as FY22.
Acute	2,384	1,257	2,369	1,295	3.0%	1
ICU / Special Care	1,505	792	1,388	816	3.0%	
ОВ	-	-	-			
						4
Observation Days	1,940	2,547	1,959	2,623	3.0%	Increased 3% for expected growth.
	1,040	2,047	1,000	2,020	0.070	
						C19 continues to suppress admissions. FY23 expected to ease by January as vaccination
						rate improves. Increase by 3% for expected growth. FY21 suppressed by 80 discharges
Admissions: Acute	903 686	584 440	973 744	602 453		due to OR shut down for 3 months
ICU / Special Care	217	144	229	148	3.0% 3.0%	
OB	-	-	-	-	0.070	
ALOS	4.31	3.51	3.86	3.51	0.0%	
Births	0	0	0	0		
Adjusted Admissions	4,451	4,680	5,134	4,931	5.4%	Increase Outpatient to Inpatient ratio to FY22 level
Case Mix Index	1.42	1.50	1.41	1.55	3.0%	3% increase due to surgery increase
HHA Visits:	4,840	3,488	7,200	3,662	5.0%	Conrinued staffing issues
Total Radiology Procedures (All)	25,867	25,936	26,903	26,973	4.0%	Increase 4%
СТ	8,143	9,280	9,235	9,558	3.0%	Increase 3% due to ER increase less impact of Appropriate Use Criteria for MCR patients.
Ultrasound	2,661	2,834	3,074	2,976		Increase 5%
Nuc Med	609	614	641	632	3.0%	
MRI Mammography	756 1,056	949 1,081	805 1,113	1,044 1,113	3.0%	Increase 10% due to install of new equipment March 2023
- Mariningraphy	1,000	1,001	1,110	1,110	0.070	
Laboratory Procedures:	166,644	162,303	187,436	177,947	9.6%	
Inpatient	23,880	11,731	23,058	12,318	5.0%	1
Outpatient	142,764	150,572	164,378	165,629		New analyzer and continued Covid testing
	112,101	100,012	101,010	100,020	10.070	
Total Surgery (excl endo):	480	604	775	634	5.0%	
Inpatient Surgery	175	215	275	226	5.0%	
Outpatient Surgery	305	389	500	408	5.0%	1
						1
Endo	402	467	470	481	3.0%	4
	45 400	40.050	47.005	40.055	E 004	1
Total ER Visits:	15,180	16,059	17,035	16,855	5.0%	
Inpatient	680	362	754	373	3.0%	1
Outpatient	14,500	15,697	16,281	16,482	5.0%	4
						4
Other Visits:						4
Rehab Services	17,928	16,935	15,505	17,782	5.00%	5% increase
Wound Care	1,694	1,451	1,949	1,669	15.00%	New physician and increased marketing efforts
FTEs	247	255	241	247	-3.0%	Offset labor cost increases

NOTES:

FY23 budget based on volumes through June 2022, discussion with physicians of their volume projections, and DMH Strategic Plan and DOH Community Health Needs Survey..

Surgery volume expected to increase in Ortho and General Surgery services. Full Itime GI specialist employed by MCR Health Services.

Covid 19 and Federal Emergency Health status expected to continue until end of 2022. Return to 'Normal' environment expected in 2023.

New Services, Stroke and Dialysis, not specifically budgeted due to volume trend not available.