The difference between healthcare and true care™



462 Grider Street * Buffalo, New York * 14215 * 716-898-3000 * www.ecmc.edu

ERIE COUNTY LEGISLATURE FINANCE & MANAGEMENT COMMITTEE

Joseph C. Lorigo *Chair* Edward A. Rath, III *Vice-Chair*

Members:

Kevin R. Hardwick, Barbara Miller-Williams, Peter J. Savage, III Karen M. McCarthy *Clerk*Meeting No. 17 – November 10, 2016

Erie County Medical Center Corporation

Re: ECMCC Capital Borrowing: Frequently Asked Questions

Why is ECMC Corporation Borrowing?

Emergency Department and Trauma

ECMC has seen 20% growth over the last five years in almost every area. This growth is expected to continue especially in the area of emergency medicine. ECMC's current footprint was designed for only 45,000 patients. ECMC currently sees approximately 70,000 patients and this is expected to grow. The new department with the latest Trauma capability will improve the quality of care and create state-of-the-art facilities and technology to match the care being provided by our clinicians. This is critical as ECMC stays current with the latest advancements, and competes in the marketplace as the region's final emergency department to be modernized.

Infrastructure

In 2018, ECMC will celebrate 40 years on the Grider street campus. The generators, boilers, and chillers are original to the facility and reaching the end of their useful life; they must be replaced.

Other capital

ECMC has been able to attract elective business and begin new departments with upgrades to its facilities. Various on-going capital is needed to renovate areas to keep up with physician and patient expectations.

Why does ECMC need to refinance its 2011 bonds with this transaction?

ECMC would like to refinance the 2011 bond for the Terrace View long term care facility from 15 years to 30 years to keep the debt payments on its existing and new debt similar to its current level. While ECMC could afford to keep the bond at 15 years, we would have to cut expenses to meet budget that creates a small surplus. These cuts would definitely affect "mission" areas that do not create the margin for the organization, but are important to the community.

Can ECMC afford these payments?

Our financing plan is designed so that the debt service payments are at current levels. ECMC has a 5-year financial plan, incorporating this financing plan and its investments as well as a track record of aggressively managing both the revenue and expenses of the organization. While 2016 saw growth, we have effectively managed operations and will have an approximately \$1 million surplus. If you exclude a onetime grant ECMC received in 2015 for Medicaid reform, this represents an \$8 million turnaround year over year. ECMC will continue to manage its finances responsibly and collaborate in the community to provide better, less expensive care for the residents of Erie County.

Why does ECMC need the County to borrow these dollars?

ECMC could borrow these dollars on a standalone basis at a higher interest rate, like other hospitals in the area, but is afforded the opportunity to borrow through the County because of its status. Healthcare organizations typically have a lower rating due to the volatility of the business. ECMC recently received a preliminary analysis that was essentially the same as Westchester Hospital, another Public Benefit Corporation hospital that is regarded as a well-managed institution.

How does this transaction create a "credit" for Erie County with regard to IGT?

Since Erie County can borrow at a lower rate, ECMC has agreed to pay the effective rate it would otherwise pay on a standalone basis by paying the County "points" similar to a home mortgage. The points paid by ECMC to Erie County form the basis for the "credit". The County has decided it will use these dollars to offset its IGT obligation of greater than \$16.2 million per year until such time as the "credit" has been exhausted. ECMC has agreed to pay these dollars as they are needed. It is expected these dollars will be able to be used over the next 4 to 5 years. It is important to note that while this is being called a "credit", this is a source of cash for the County that ECMC has agreed to pay.

Is this a "credit card"?

No. This is not a loan that the county will need to repay. This is ECMC agreeing to pay the County actual dollars and represents funds retained in our community.

Will the debt impact the County debt ceiling?

ECMC has agreed to issue "mirror bonds" so that, in the opinion of Erie County bond council, this debt will not impact the County debt ceiling.

Is the County backing these bonds?

The county ultimately backs ECMC, as part of its creation as a PBC in 2004. This does not mean that it backs any losses; it is only currently responsible for IGT. This means that the County is the ultimate guarantor for ECMC, but ECMC will be paying all debt payments. ECMC has a history of sound fiscal management, is currently in a financially healthy position, and has budgeted for surplus in 2017 and beyond.

Can the Control Board borrow these dollars?

According to the Control Board Charter, they cannot borrow beyond their existence. These bonds would be for 30 years and the control Board is only in existence for 23 more years.

ABOUT ERIE COUNTY MEDICAL CENTER (ECMC) CORPORATION: The ECMC Corporation was established as a New York State Public Benefit Corporation and since 2004 has included an advanced academic medical center with 602 inpatient beds, on- and off-campus health centers, more than 30 outpatient specialty care services and Terrace View, a 390-bed long-term care facility. ECMC is Western New York's only Level 1 Adult Trauma Center, as well as a regional center for burn care, behavioral health services, transplantation, medical oncology and head & neck cancer care, rehabilitation and a major teaching facility for the University at Buffalo. Most ECMC physicians, dentists and pharmacists are dedicated faculty members of the university and/or members of a private practice plan. More Western New York residents are choosing ECMC for exceptional patient care and patient experiences—the difference between healthcare and true careTM.

Trauma Center / ED Project	45
Land Acquisition and Parking	3
Energy Projects Energy Controls / Management Boilers and Chillers Generators Total Energy Projects	13 15 10
Building Envelope	15
Elevators	3
Clinics	5
Education Center	1
Nursing Unit Renovations Total Capital Requirements	<u>10</u> 120
Capital Campaign Funding	(20)
Net Capital Requirements	100

Erie County Medical Center Historical Volumes by DSH Category

11 2012 2013 2014	% %, % <u>,</u>	0.4% 0.4% 0.5% 0.2% 11.2% 11.3% 11.8% 7.6% 11.6% 11.8% 12.3% 7.8%	0.0% 0.1% 0.0% 0.0% 7.1% 8.0% 6.8% 7.0% 7.1% 8.1% 6.8% 7.0%	100.0%			68.7% 69.8% 68.7% 68.9% 97.7% 10.0% 10.2% 10.1% 4.1% 3.2% 4.2% 3.8% 1.4% 1.6% 2.1% 15.7% 15.3% 15.1%	0% 100.0% 100.0% 100.0%
2010 2011	5.6% 75.0% 77.80.6% 80.6% 8.8	0.4%	0.1% 0.7.6% 7.6% 7.6%	100.0% 100			71.2% 68 8.9% 9 3.4% 4, 1.3% 1,	100.0% 100.0%
2014	10,150 114,500 124,650	361 11,052 11,413	73 10,189 10,262	146,325	56,571,601	387	146,325 21,522 8,134 4,366 32,054	212,401
2013	8,872 110,143 119,015	745 17,411 18,156	9,939	147,179	61,385,286	417	147,179 21,752 9,082 3,394 32,824	214,231
2012	8,645 118,053 126,698	670 17,910 18,580	115 12,650 12,765	158,043	54,602,256	345	158,043 22,568 7,200 3,191 35,560	226,562
2011	8,074 113,367 121,441	607 16,708 17,315	66 10,600 10,666	149,422	46,854,268	314	149,422 21,018 8,953 3,073 34,980	217,446
2010	8,165 109,892 118,057	611 16,690 17,301	108 11,075 11,183	146,541	40,581,379	27.7	146,541 18,239 6,966 2,711 31,287	205,744
	Medicaid Inpatient Outpatient Total Uninsured	Inpatient Outpatient Total Underinsured	Inpatient Outpatient Total	Total Cases	Total UCC for IGT	Cost per Case	Total Uncompensated Care / DSH Cases Medicare (Non Dual Eligible) FFS & MC Workers' Comp and No Fault Commercial Insurance Other	Total Cases

Comm. 22M-8 Page 5 of 22

	2010	2011	2075	William Pilania in China	
		1 10 N 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	2012	2013	2014
	FINAL AUDIT	FINAL AUDIT	FINAL AUDIT	Ailled Cost Report	diled:Cost
MEDICAID Total Cases:			\$4.88 V 88 (\$1.33) \$2.00 (\$2.00)	reput!	Report
Inpatient			and the second s		
Outpatient	8,165	8,074	8,645	0 072	
TOTAL	109,892	113,367	118,053	8,872	10,150
TOTAL	118,057	121,441	126,698	110,143 119,015	114,500
UCC Calculation:			,	113,013	124,650
Payments	4				
Cost	\$ 133,180,427	\$ 136,777,216	\$ 150,631,399	\$ 149,523,584	\$ 168,927,175
Uncompensated Loss	164,632,242	173,409,181	190,033,269	195,240,846	
	\$ (31,451,815)	\$ (36,631,965)	\$ (39,401,870)	\$ (45,717,262)	215,329,462 \$ (46,402,287)
UNINSURED					
Total Cases:				A PARTIE IN THE SECURITY AND	eperiori
Inpatient					
Outpatient	611	607	670	745	
TOTAL	16,690	16,708	17,910	17,411	361
	17,301	17,315	18,580	18,156	11,052
UCC Calculation:			/	40,430	11,413
Payments					
Cost	\$ 634,568	\$ 577,259	\$ 586,836	\$ 677,405	\$ 648.239
Uncompensated Loss	9,764,132	10,799,562	11,964,164	13,122,230	
	\$ (9,129,564)	\$ (10,222,303)	\$ (11,377,328)	\$ (12,444,825)	7,253,488
				7 (12)111,023)	\$ (6,605,249)
otal UCC for IGT					
orar occipi idi	\$ (40,581,379)	C INC DE COST		_	
		\$ (46,854,268)	\$ (50,779,198)	\$ (58 162 087)	¢ (53.005.500)
		\$ (46,854,268)	\$ (50,779,198)	\$ (58,162,087)	\$ (53,007,536)
Massiasine		3 (46,854,268)	\$ (50,779,198)	\$ (58,162,087)	\$ (53,007,536)
JNDERINSURED	-	→ (45,854,268)	\$ (50,779,198)	\$ (58,162,087)	\$ (53,007,536)
otal Cases:	-	\$ (46,854,268)	\$ {50,779,198}	\$ (58,162,087)	\$ (53,007,536)
otal Cases: Inpatient	108				\$ (53,007,536)
otal Cases: Inpatient Outpatient		66	115	. 69	\$ (53,007,536) 73
otal Cases: Inpatient Outpatient	108	65 10,600	115 12,650	69 9,939	
otal Cases: Inpatient Outpatient TOTAL	108 11,075	66	115	. 69	73
otal Cases: Inpatient Outpatient FOTAL CC Calculation:	108 11,075	65 10,600	115 12,650	69 9,939	73 10,189
otal Cases: npatient Outpatient FOTAL CC Calculation: Syments	108 11,075	65 10,600 10,666	115 12,650 12,765	69 9,939 10,008	73 10,189 10,262
otal Cases: npatient Outpatient OTAL CC Calculation: yments st	108 11,075 11,183 \$ 298,394	66 10,600 10,666 \$ 411,777	115 12,650 12,765 \$ 410,083	69 9,939 10,008 \$ 383,232	73 10,189
otal Cases: Inpatient Outpatient FOTAL CC Calculation: Dyments Dost	108 11,075 11,183 \$ 298,394 3,349,492	65 10,600 10,666 \$ 411,777 2,824,698	115 12,650 12,765 \$ 410,083 4,233,141	\$ 383,232 3,606,431	73 10,189 10,262 \$ 447,021
otal Cases: Inpatient Outpatient TOTAL CC Calculation: syments ost ncompensated Loss	108 11,075 11,183 \$ 298,394 3,349,492	66 10,600 10,666 \$ 411,777	115 12,650 12,765 \$ 410,083	69 9,939 10,008 \$ 383,232	73 10,189 10,262
otal Cases: Inpatient Outpatient FOTAL CC Calculation: Syments St Incompensated Loss	\$ 298,394 3,349,492 \$ (3,051,098)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058)	\$ 383,232 3,606,431 \$ (3,223,199)	73 10,189 10,262 \$ 447,021 4,011,086
otal Cases: Inpatient Outpatient TOTAL CC Calculation: Dyments Dist Distorments Dist Distorments Dist	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	65 10,600 10,666 \$ 411,777 2,824,698	115 12,650 12,765 \$ 410,083 4,233,141	\$ 383,232 3,606,431	73 10,189 10,262 \$ 447,021 4,011,086
otal Cases: Inpatient Outpatient TOTAL CC Calculation: Dyments Dist Incompensated Loss Otal UCC for IGT with Underinsured	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058)	\$ 383,232 3,606,431 \$ (3,223,199)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065)
otal Cases:	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (3,223,199)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,554,065)
Otal Cases: Inpatient Outpatient TOTAL CC Calculation: Dayments Dost Incompensated Loss Otal UCC for IGT with Underinsured ICHANGE PLANS (Non-Medicald/Primary tal Cases: Inpatient	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (3,223,199)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065)
otal Cases: Inpatient Outpatient TOTAL CC Calculation: Dyments Dost Incompensated Loss Otal UCC for IGT with Underinsured ICHANGE PLANS (Non-Medicald/Primary tal Cases: Inpatient	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (3,223,199)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601)
otal Cases: Inpatient Outpatient TOTAL CC Calculation: Dyments Dost Incompensated Loss Otal UCC for IGT with Underinsured ICHANGE PLANS (Non-Medicald/Primary tal Cases: Dostlent Utpatient	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (3,223,199)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601)
otal Cases: Inpatient Outpatient FOTAL CC Calculation: Dyments Dost Incompensated Loss Otal UCC for IGT with Underinsured CHANGE PLANS (Non-Medicald/Primary tal Cases: Descriptions	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (3,223,199)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601)
otal Cases: Inpatient Outpatient TOTAL CC Calculation: Dyments Dost Incompensated Loss Otal UCC for IGT with Underinsured CHANGE PLANS (Non-Medicald/Primary tal Cases: Deatlent Utpatient Utpatient OTAL	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (3,223,199)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601)
otal Cases: Inpatient Outpatient Outpatient TOTAL CC Calculation: Dyments Dost Incompensated Loss Otal UCC for IGT with Underinsured CHANGE PLANS (Non-Medicald/Primary tal Cases: Deatient Utpatient OTAL VMents: Patient	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (3,223,199)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601)
otal Cases: Inpatient Outpatient	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	69 9,939 10,008 \$ 383,232 3,606,431 \$ (3,223,199) (61,385,286)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601)
otal Cases: Inpatient Outpatient	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	69 9,939 10,008 \$ 383,232 3,606,431 \$ (3,223,199) (61,385,286)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601) 137 758 895 \$ 2,240,917
otal Cases: npatient Outpatient Outpatient OTAL CC Calculation: lyments ost ncompensated Loss Ital UCC for IGT with Underinsured CHANGE PLANS (Non-Medicald/Primary tal Cases: patient utpatient OTAL (ments: patient utpatient utpatient	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (61,385,286)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601) 137 758 895 \$ 2,240,917 849,587
otal Cases: Inpatient Outpatient Outpatient TOTAL CC Calculation: Dayments Dost Incompensated Loss Otal UCC for IGT with Underinsured ICHANGE PLANS (Non-Medicald/Primary tal Cases: Inpatient Utpatient OTAL Viments: Ipatient Utpatient Utpatient Utpatient OTAL	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (61,385,286)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601) 137 758 895 \$ 2,240,917
otal Cases: Inpatient Outpatient Outpatient TOTAL CC Calculation: Dayments Dost Incompensated Loss Otal UCC for IGT with Underinsured ICHANGE PLANS (Non-Medicald/Primary tal Cases: Inpatient Utpatient OTAL Viments: Ipatient Utpatient Utpatient Utpatient OTAL	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (61,385,286)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601) 137 758 895 \$ 2,240,917 849,587 \$ 3,090,504
Total Cases: Inpatient Outpatient Outpatient TOTAL CC Calculation: Dayments Dost Incompensated Loss Otal UCC for IGT with Underinsured CCHANGE PLANS (Non-Medicald/Primary tal Cases: Inpatient Inpatient OTAL Impatient Utpatient Utpatient Utpatient Utpatient Utpatient Utpatient Utpatient Utpatient Utpatient UTAL	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	\$ 383,232 3,606,431 \$ (61,385,286)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601) 137 758 895 \$ 2,240,917 849,587
Total Cases: Inpatient Outpatient Outpatient TOTAL CC Calculation: Dayments Dost Dost Dost Dost Dost Dost Dost Do	108 11,075 11,183 \$ 298,394 3,349,492 \$ {3,051,098} (43,632,477)	\$ 411,777 2,824,698 \$ (2,412,921)	\$ 410,083 4,233,141 \$ (3,823,058) (54,602,256)	69 9,939 10,008 \$ 383,232 3,606,491 \$ (61,385,286)	73 10,189 10,262 \$ 447,021 4,011,086 \$ (3,564,065) (56,571,601) 137 758 895 \$ 2,240,917 849,587 \$ 3,090,504

<u>NOTE</u>: 2010 UCC does not reflect additional UCC of \$25.1 million received due to cost reporting methodology differences between New York State and CMS.

Erie County Medical Center Medicaid DSH Projection Assumptions

			•										
<u>2020</u>	2%	-5%	%0	%0		3%	1%	2%	3%		11	4	36%
<u>2019</u>	2%	-4%	. %0	%0		3%	1%	2%	3%		Ħ	ĸ	27%
<u>2018</u>	2%	-3%	%0	%0		-2%	1%	-1%	3%		11	2	18%
2017	2%	-2%	-15%	%0		-2%	1%	-1%	3%		11	1	%0
2016	2%	-1%	-15%	%0		-5%	1%	-1%	3%		11	1	%0
<u>2015</u>	2%	%0	-15%	%0		-2%	1%	-1%	3%		11	ı	%0
Volume Changes:	Medicaid Expansion and Demographics	Medicaid DSRIP Reduction	Uninsured Reduction	Underinsured	Rate Increases	Medicaid Primary Payer	Medicaid Secondary Payer	. Blended Rate Increase	Expense Increases	(America's Essential Hospitals DSH Reductions	Bour Total CMS DSH Payments (Billions)	o of Current Scheduled Reductions	$\sim \infty$ Percentage Reduction In DSH Funding

Madicaid	<u>2015</u>	<u>2</u> 016	2017			
Payments		1010	<u>2017</u>	<u> 2018</u>	<u> 2019</u>	2020
Prior Year					•	
	168,927,17	5 176,486,666	192 520 400			
Composite Volume Change		% 4%	182,628,402	-0.7007120	3 189,955,50	2 195,692,158
Composite Rate Adjustment	-1	170	37	ے.	% 1	% 0%
Current Year Projected	176,486,666	_ =	="	=-	% г	% 2%
_		182,628,402	187,166,718	189,955,502	195,692,15	
Cost					-	199,000,001
Prior Year	215,329,462					
Composite Volume Change	59	,	249,459,785	264,651,886	278,043,271	300 0
Expense Inflation		***************************************	3%		010 (0)1.11	,,,
Current Year Projected	332.078.040	2,0	3%	3%	4.4	,
	232,878,813	249,459,785	264,651,886	278,043,271		270
Uncompensated Care Loss for IGT	•				289,248,415	297,925,867
- 11-12 131 131	(56,392,147)	(66,831,383)	(77,485,168)	(88,087,769)		
Uninsured			The state of the s	(66,067,769)	(93,556,257	(98,319,866)
Payments						
Prior Year						
Volume Change	648,239	551,003	FF1 000			
	-15%	-15%	551,003	551,003	551,003	551,003
Rate Adjustment	0%	0%	-15%	0%	0%	
Current Year Projected	551,003	-	<u>0</u> %	0%	0%	0%
		551,003	551,003	551,003	551,003	_
Cost						551,003
Prior Year	7,253,488	C 250				
Composite Volume Change	-15%	6,350,429	5,559,800	4,867,605	5,013,633	
Expense Inflation		-15%	-15%	0%	0%	5,164,042
Current Year Projected	3%	3%	<u>3</u> %	3%		0%
	6,350,429	5,559,800	4,867,605	5,013,633	3%	3%
Uncompensated Care Loss				2/043/033	5,164,042	5,318,964
	(5,799,426)	(5,008,797)	(4,316,602)	(4,462,630)		
Underinsured				(4),402,030)	(4,613,039)	(4,767,960)
Payments						
Prior Year						
Volume Change	447,021	447,021	447,021			
. Composite Rate Adjustment	•		447,021	447,021	447,021	447,021
Current Year Projected	0%	0%	0%	-	•	•
carrent teat Projected	447,021	447,021	-	0%	0%	0%
Cost		177,022	447,021	447,021	447,021	447,021
Prior Year				-	· · · · · · · · · · · · · · · · · · ·	13/0/1
	4,011,086	8 121 410				
Volume Change	,,	4,131,419	4,255,361	4,383,022	4,514,513	4 5 4 5 6 7 -
Composite Rate Adjustment	3%	507	•		.,	4,649,948
Current Year Projected	4,131,419	3%	3%	3%	3%	•
	4,131,113	4,255,361	4,383,022	4,514,513	4,649,948	3%
Uncompensated Care Loss	12 CD4 DOD			<u> </u>	4,049,948	4,789,446
	(3,684,398)	(3,808,340)	(3,936,001)	(4,067,492)	/4 702 000	
					(4,202,927)	(4,342,425)
Total Uncompensated Care	14 = A.v.					
	(65,875,970)	(75,648,520)	(85,737,771)	(96,617,891)		
Projected Change In IGT Funding			111.121	(20,01,'831)	(102,372,223)	(107,430,252)
Percentage Reduction						•
Dollar Reduction	0%	0%	0%	400.		
·		-	- 078	18%	27%	36%
Total Expected Uncompensated Care				(17,566,889)	(27,919,697)	(39,065,546)
	(65,875,970)	(75,648,520)	(85,737,771)	(70 ora con:		
				(79,051,002)	(74,452,526)	(68,364,706)

### STRING MEMORED DOS CASE ### STRING TRANSPORT Aurithed 2012 Cost Report indigent Care / JUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST Cost Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST Report indigent Care / SUDA 700-18 ### AURICHAE COST COST REport indigent Care / SUDA 700-18 ### AURICHAE COST COST REPORT indigent Care / SUDA 700-18 ### AURICHAE COST C	Unanya Languaga		<u>2016</u>	<u>2017</u>	<u>Calendar Year</u> 2018	: <u>2019</u>	<u>2020</u>	Settlements Pd. In Future	<u>Total</u>
PAIR JOSE									
Author 2012 Cost Dayor of Margines (8,55)4,289 1									
Indigence Conce SUPA Probots 18,852/4339 Fellinisary Peymont 1 16,0070,4511 Professionary Peymont 2 16,0070,4511 Professionary Peymont 3 16,0070,4511 Professionary Peymont 3 16,0070,4511 Professionary Peymont 3 16,0070,4511 Professionary Peymont 4 18,0070,788 Professionary Peymont 5 18,0070,788 Professionary Peymont 5 18,0070,788 Professionary Peymont 5 18,0070,788 Professionary Peymont 6 18,0070,788 Professionary Peymont 6 18,0070,788 Professionary Peymont 6 18,0070,788 Professionary Peymont 7 18,0070,788 Professionary Peymont 9 18,0070,									
Estimated Final Hole Program 1 105070,451 1500,070,451 1500,070,71 1500,070,171 1500,070,171 1500,070,171 1500,070,071 1500,070	· · · · · · · · · · · · · · · · · · ·								
Poliminary Payment 1 (7,674,000) Not Due 2,064,772 (7,644,000) Not Due 2,064,772 (7,644,000) Not Due 2,064,772 (7,644,000) Not Due 3,064,772 (7,644,000) Not Due 4,055,766,772 (1,729,000) Poliminary Payment 4,055,766,772 (1,729,000) Poliminary Payment 4,055,766,772 (1,729,000) Not Due 1,050,000 (1,729,000) Poliminary Payment 3,000,000 (1,729,000) Not Due 1,050,000 (1,729,000) Poliminary Payment 3,000,000 (1,729,000) Poliminary Payment 3,000,000 (1,729,000) Poliminary Payment 3,000,000 (1,729,000) Poliminary Payment 3,000,000 (1,729,000) Poliminary Payment 4,072,772,700 (1,729,000) Poliminary Payment 4,072,772,700 (1,729,000) Poliminary Payment 4,072,772,700 (1,729,000) Poliminary Payment 5,000,000 (1,729,000) Poliminary Payment 5,000,000 (1,729,000) Poliminary Payment 5,000,000 (1,729,000) Poliminary Payment 6,000,000 (1,729,000) Poliminary Payme		(8,552,433)	l						
Pelleminary Payment 2 (19.64.200) Pelleminary Payment 2 (19.64.200) Pelleminary Payment 6 (19.64.200) Pelleminary Payment (19.									
Net Due 2.865.172 2.965.	The state of the s	(36,070,451)	I						
2,255,172 1,000	Preliminary Payment 2	(7,614,200)	:						
AUGUSTA CAST Payment (19,128,128) (19,128,12	Net Due	2,365,172	2,365,172						2 201 472
Indigence Clare / SURA Pocols 12,728,6489 Septiminary Preprint 48,555,738 Septiminary Preprint 48,555,738 Septiminary Preprint 48,555,738 Septiminary Preprint 12,655,1401 Sep	2014 / 2015								2,505,172
Modgen Clark SLIPA Robols 12,728,648 14,855,738 74,774,658 10,056,591	Filed 2013 Cost Report	61,385,286							
Settimender Final 1,955,738 10,000,951	Indigent Care / SLIPA Pools	•							
Petiliniary Payment 19.856.347 19.005.951 19.005	Estimated Final								
Net Due 10,050,591 10,050,591 10,050,592 1 10,050,595 1 1									
2012 / 2015 S. 10			10.050 504						
File 2014 Cost Report 5,877.001 19,403,848 19,403		10,030,391	10,050,591						10,050,591
Estimated Final 4,978,056 2,2798,548 38,408,848	•								
Estimated Final Payment 38,08,08 19,408,848	•								
Perlaminary Payment 33,403,848 39,403,		(12,789,548)							
Settlement	Estimated Final	43,782,053							43 792 052
Sap	Preliminary Payment	39,403,848	39,403,848						45,762,055
Projected 2015 Coat Report 65,875,970 10,779,9849 5,306,642 7,777,780 5,306,642 7,777,780 7,777,78	Settlement	4,378,205		4 378 209					
Projected 2015 Cost Report 58,878,970 10,100 10,1	2016 /2017			4,570,205					
Indigent Carl y SUPA Pools Satinased Final Sous-Kat2 Preliminary Payment 47,777,780 47,777,780 Sattlement 5,080,642 Preliminary Payment 5,080,642 Preliminary Payment 5,080,642 Preliminary Payment 5,080,870 Preliminary Payment 5,080,870 Sattlement 5,080,870 Preliminary Payment 5,080,870 Sattlement 5,080,870 Sattlement 5,080,870 Sattlement 5,080,870 Sattlement 5,080,877 Sattlement 7,080,877 Sattlement 5,080,877 Sattlement 5,080	•	65 975 970							
Estimated Final									
Perliminary Fayment 47,777,280 47,777,780 Settlement 5,508,642 2017 / 7018 Projected 2015 Cost Report (12,785,548) Estimated Final 62,858,972 Friedinary Payment 55,727,771 Sottlement 6,565,520,775 Settlement 72,948,223 Projected 2017 Cost Report (12,786,548) Estimated Final 72,948,223 Projected 2017 Cost Report (12,786,549) Estimated Final 72,948,223 Settlement 72,948,223 Settlement 77,294,822 Sottlement 77,294,822 Sottlement 77,294,822 Sottlement 77,294,822 Sottlement 56,656,101 Settlement 66,626,1454 Findinary Payment 59,655,309 Settlement 66,626,1454 Settlement 59,855,309 Settlement 59,855,309 Settlement 59,855,309 Settlement 66,626,1454 Sottlement 59,855,309 Settlement 59,855,309 Settlement 66,626,1454 Sottlement 59,865,309 Settlement 67,927,928 Sottlement 59,855,309 Settlement 67,927,928 Sottlement 59,865,309 Sottlement 67,927,928 Sottlem									
Settlement 5.308,642 5,308									53,086,422
2017 / 2018 Projected 2015 Cork Report				47,777,780					
Projected 2015 Cox Report 75,648,520 12,789,548 56,889,772 10,000	Settlement	5,308,642			5,308,642				
Indigent Care / SURA Peols (12,789,548) 56,573,075 56,573,075 56,285,897 Preliminary Payment 56,572,075 56,573,075 6,285,897 2018 / 2019	2017 / 2018								
Indigent Care / SUPA Pools (12789,548) 52,858,972 56,573,075 56,285,897 72,848,297 72,948,922	Projected 2016 Cost Report	75,648,520							
Estimated Final 56,572,075 56,573,075 6,285,897 Preliminary Payment 56,572,075 6,285,897 2013 / 2019 Projected 2017 Cost Report 61,2785,5489 70,2785 85,787,771 (10 gent Care / SLIPA Pools 12,785,548) 772,948,223 Preliminary Payment 65,553,401 72,948,223 Preliminary Payment 65,553,401 72,948,223 Preliminary Payment 772,948,223 Preliminary Payment 96,553,401 972,948,223 Preliminary Payment 973,002 100 100 100 100 100 100 100 100 100	Indigent Care / SLIPA Pools								
Preliminary Payment 6.56.79.075 Settlement 6.285.897 2018 / 2019 Projected 2017 Cost Report 85,737,771 Indigent Care / SURPA Pools (12,789,548) Estimated Final 7,2948,223 Preliminary Payment 6.56.534.01 Settlement 7,294,822 2019 / 2020 Indigent Care / SURPA Pools (12,789,548) Estimated Final 6,626,1454 Preliminary Payment 9,9653,039 Indigent Care / SURPA Pools (12,789,548) Estimated Final 6,626,1454 Preliminary Payment 9,9653,039 Settlement 7,0951,002 Indigent Care / SURPA Pools (12,789,548) Estimated Final 6,626,1454 Preliminary Payment 9,9653,039 Settlement 7,294,822 TOTAL HOSPITAL PAYMENTS 311,352,887 SI,819,611 52,155,985 61,881,727 TOTAL HOSPITAL PAYMENTS 311,352,887 SI,819,611 52,155,985 61,881,727 TOTAL HOSPITAL PAYMENT ILMIT State Fiscel Year 2014 / 2015 2016 9,946,458 9,846,458 9,846,458 1,846,793 2017 / 2013 2018 / 2019 2019 / 2019 2017 / 2013 2018 / 2019 2019 / 2019 201									
Sattlement 6,285,897 2018 / 2019 Projected 2017 Cost Report (12,789,548) 85,737,771 Indigent Care / SILPA Pools 12,789,548) 13,789,548 1									62,858,972
2018 / 2018 Projected 2017 Cost Report					50,5/3,0/5				
Projected 2017 Cast Report (12,789,548) 12,789,548 12		6,285,897				6,285,897			
Indigent Care / SUPA Pools 12,789,548									
Estimated Final 72,946,223 65,553,401 72,948,223 72,948,243 72,948									
Preliminary Payment 65,553,401 77,948,222 2019 / 2020 Projected 2018 Cost Report 79,051,002 Indigent Care / SUPA Pools (12,789,548) Estimated Final 66,261,454 Preliminary Payment 59,635,099 Settlement 59,635,099 Settlement 6,626,1454 Preliminary Payment 6,626,1454 Preliminary Payment 6,626,1454 Preliminary Payment 79,051,002 Settlement 6,626,1454 Preliminary Payment 6,626,1454 Preliminary Payment 159,635,099 Settlement 6,626,1454 Preliminary Payment 6,626,1454 Preliminary Payment 159,635,099 Settlement 6,626,1454 Preliminary Payment 6,626,1454 Preliminary Payment 6,626,1454 Preliminary Payment 159,635,099 Settlement 6,626,1454 Preliminary Payment 6,626,1		(12,789,548)							
Settlement 7,294,822 7,294,822 7,294,822 7,294,822 2019 / 2020 7,294,822 7,294,822 7,294,822 7,294,822 7,294,822 2019 / 2020 7,294,822 7,294,824,824 7,294,824 7,294,824 7,294,824 7,294,824 7,294,824,824 7,294,824 7,294,824 7,294,824 7,294,824 7,294,824,824 7,294,824 7,294,824 7,294,824 7,294,824 7,294,824,824 7,294,824 7,294,824 7,294,824 7,294,824 7,294,824,824 7,294,824 7,294,824 7,294,824 7,294,824 7,294,824,824 7,294,824 7,294,824 7,294,824 7,294,824 7,294,824,824 7,294,824 7,294,824 7,294,824 7,294,824 7,294,824,824 7,294,824 7,294,824 7,294,824 7,294,824 7,294,824,824 7,294,824 7,294,824 7,294,824 7,294,824 7,294,824,824 7,294,824 7,294,824 7,294,824 7,294,824 7,294,8		72,948,223							72 948 223
Settlement 7,294,822 7,294,822 2019 / 2020 Projected 2018 Cost Report 79,051,002 (12789,548) Indigent Care / SLIPA Pools (12789,548) Estimated Final 66,261,454 Preliminary Payment 99,655,509 Settlement 6,6261,454 TOTAL HOSPITAL PAYMENTS 311,352,887 51,819,611 52,155,985 61,881,717 71,939,798 66,930,131 6,626,145 311,352,887 NURSING HOME UPPER PAYMENT LIMIT State Fiscal Year 2014 / 2015 6,267,231 9,840,458 3,280,153 2015 2015 2016 / 2017 2018 2016 / 2017 2018 2019 2019 / 2020 2019 2020 20	Preliminary Payment	65,653,401				65,653,401			14,040,223
2019 / 2020 Projected 2018 Cost Report 79,051,002 (12,789,548) Estimated Final 66,261,454 Preliminary Payment 59,635,309 Settlement 59,635,309 Settlement 59,635,309 Settlement 50,626,145 TOTAL HOSPITAL PAYMENTS 311,352,887 51,819,611 52,155,985 61,881,717 71,939,298 66,930,131 6,626,145 311,352,887 NURSING HOME UPPER PAYMENT LIMIT State Fiscal Year 2014 / 2015 2015 / 2016 9,840,458 3,280,153 11,323,959 11,323,959 11,323,959 11,663,678 3,887,893 15,590,486 11,323,061,120 12,013 / 2016 1	Settlement	7,294,822					7 204 022		
Projected 2018 Cost Report (12,789,548) Indigent Care / SUPA Pools (12,789,548) Estimated Final 66,261,454 Preliminary Payment 59,635,309 Settlement 56,626,454 TOTAL HOSPITAL PAYMENTS 311,352,887 51,819,611 52,155,985 61,881,717 71,939,298 66,930,131 6,626,145 311,352,867 NURSING HOME UPPER PAYMENT LIMIT State Fiscal Year 2014 / 2015 6,267,231 2015 / 2016 9,840,458 3,280,153 2015 / 2016 / 2017 2017 2018 11,323,959 3,774,653 12,016,2017 2018 12,323,959 3,774,653 12,016,2017 2018 12,323,959 3,774,653 12,016,2017 2018 12,323,959 3,774,653 12,016,2019 2019 / 2020 1 1,655,778 12,016,578 12,016,519 12,016,519 14,004,530 16,018,119 2019 / 2020 1 1,605,678 12,016,519 12,016,519 12,016,519 14,004,530 16,018,119 2019 / 2020 1 1,605,678 12,016,519 12,016,519 14,004,530 16,018,119 2019 / 2020 1 1,605,678 12,016,519 12,016,519 14,004,530 16,018,119 2019 / 2020 1 1,605,678 12,016,519 12,016,519 14,004,530 16,018,119 2019 / 2020 1 1,605,678 12,016,519 12,016,519 14,004,530 16,018,119 2019 / 2020 1 1,605,678 12,016,519 12,016,519 14,004,530 16,018,119 2019 / 2020 1 1,605,678 12,016,519 14,004,530 16,018,119 2019 / 2020 1 1,605,651 14,004,530 12,017,698 14,004,530 16,018,119 2019 / 2020 1 1,605,651 15,004,000 18,000	2019 / 2020						7,294,022		
Indigent Care / SLIPA Pools (12,789,548) Estimated Final 66,261,454 59,635,309 59,63	· · · · · · · · · · · · · · · · · · ·	70 051 002							
Estimated Final									
Preliminary Payment 59,635,309 59,635,309 59,635,309 59,635,309 59,635,309 59,635,309 59,635,309 50,626,145 50,626,									
Settlement 6,626,145 - 5,626,1									66,261,454
TOTAL HOSPITAL PAYMENTS 311,352,887 51,819,611 52,155,985 61,881,717 71,939,298 66,930,131 6,626,145 311,352,887 NURSING HOME UPPER PAYMENT LIMIT State Fiscal Year 2014 / 2015 6,267,231 2015 / 2016 9,840,458 3,280,153 11,323,959 3,774,653 12,013,720,113 15,020,111 2016 / 2017 11,323,959 11,663,678 12,013,789 12,013,789 4,004,530 15,551,571 2019 / 2020 1 12,373,997 4,124,664 16,498,612 12,013,789 12,013,789 12,013,789 12,013,789 12,013,789 12,013,789 12,013,789 12,013,789 12,013,789 12,013,789 12,013,789 12,013,789 14,124,664 16,498,612 16,49	• •	59,635,309					59,635,309		
TOTAL HOSPITAL PAYMENTS 311,352,887 51,819,611 52,155,985 61,881,717 71,939,298 66,930,131 6,626,145 311,352,887 NURSING HOME UPPER PAYMENT LIMIT State Fiscal Year 2014 / 2015 6,267,231	Settlement	6,626,145				-	_	5.626.145	
NURSING HOME UPPER PAYMENT LIMIT State Fiscal Year 2014 / 2015									
NURSING HOME UPPER PAYMENT LIMIT State Fiscal Year 2014 / 2015	TOTAL HOSPITAL PAYMENTS	311,352,887	51,819,611	52,155,985	61.881.717	71,939,798	66 920 121	6 676 146	254 050 000
State Fiscal Year 2014 / 2015							00,220,232	0,020,143	311,352,887
State Fiscal Year 2014 / 2015	NURSING HOME UPPER PAYMENT LIMIT								
2014 / 2015	······································								
2014 / 2015	State Fiscal Year								
2015 / 2016 2016 / 2017 2017 / 2018 2018									
2015 / 2016 2016 / 2017 2017 / 2018 2018	2014 / 2015		6 262 224						
2016 / 2017 2018 11,323,559 3,774,653 15,096,612 2017 / 2018 11,663,678 3,887,893 15,096,612 2018 / 2019 2020 12,013,589 4,004,530 16,018,119 2019 / 2020 12,373,997 4,124,664 16,498,661 2019 / 2020 12,373,997 4,124,664 16,498,661 2019 / 2020 12,373,997 4,124,664 16,498,661 2019 / 2020 12,373,997 4,124,664 16,498,661 2019 / 2020 - 2019 / 2020 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 - 2019 / 2020 -				2 200 450					6,267,231
2017 / 2018			9,840,458						13,120,611
2018 / 2019 2019 2020 12,013,589 4,004,530 16,018,119 12,013,589 4,004,530 16,018,119 12,013,589 4,124,664 16,498,661 16,498,681 16,498,681 16,498,681 16,498,681 16,498,681 16,498				11,323,959					15,098,612
2019 / 2020					11,663,578				15,551,571
TOTAL NURSING HOME PAYMENTS 16,107,689 14,604,112 15,438,331 15,901,482 16,378,527 4,124,664 82,554,805 TOTAL PROJECTED IGT PAYMENTS 67,927,300 66,760,097 77,320,048 87,840,780 83,308,658 10,750,809 393,907,692 Eric County Percentage Responsibility 50% 50% 50% 50% 50% 50% 50% 50						12,013,589			16,018,119
TOTAL PROJECTED IGT PAYMENTS 67,927,300 66,760,097 77,320,048 87,840,780 83,308,658 10,750,809 393,907,692 Eric County Percentage Responsibility 50% 50% 50% 50% 50% 50% 50% 50	1015, 1010		 .			•	12,373,997	4,124,654	15,498,661
FOTAL PROJECTED IGT PAYMENTS 67,927,300 66,760,097 77,320,048 87,840,780 83,308,658 10,750,809 393,907,692 FILE COUNTY PERCENTAGE RESPONSIBILITY 50% 50% 50% 50% 50% 50% 50% 50	TOTAL MURRING HOLDS SAME STATE								
TOTAL PROJECTED IGT PAYMENTS 67,927,300 66,760,097 77,320,048 87,840,780 83,308,658 10,750,809 393,907,692 irle County Percentage Responsibility 50% 50% 50% 50% 50% 50% 50% 50% 50% 50%	TO LAT MONDING HOINE PATIMENTS		16,107,689	14,604,112	15,438,331	15,901,482	16,378,527	4,124,664	82,554,805
THE COUNTY PORTION OF PROJECTED 16T 33,963,650 35,380,049 38,660,024 43,920,390 41,654,329 5,375,405 196,953,846 AAXIMUM COUNTY CASH REQUIREMENT 18,200,000 18,200,0									
THE COUNTY PORTION OF PROJECTED IGT 33,953,650 33,380,049 38,660,024 43,920,390 41,654,329 5,375,405 196,953,846 **AXIMUM COUNTY CASH REQUIREMENT 18,200,000 18,200,000 18,200,000 18,200,000 18,200,000 18,200,000 **DDITIONAL EOS CREDIT REQUIREMENT 15,763,650 15,180,049 20,460,024 25,720,390 23,454,329 5,375,405 105,953,846	OTAL PROJECTED IGT PAYMENTS		67,927,300	66,760,097	77,320,048	87,840,780	83.308.658	10.750.809	393,907,692
RIE COUNTY PORTION OF PROJECTED IGT 33,963,650 33,380,049 38,660,024 43,920,390 41,654,329 5,375,405 196,953,846 MAXIMUM COUNTY CASH REQUIREMENT 18,200,000 18,200,000 18,200,000 18,200,000 - 91,000,000 DDITIONAL EOS CREDIT REQUIREMENT 15,763,650 15,180,049 20,460,024 25,720,390 23,454,329 5,375,405 105,953,846								,,	,,052
RIE COUNTY PORTION OF PROJECTED (GT 33,963,650 33,380,049 38,660,024 49,920,390 41,654,329 5,375,405 196,953,846 MAXIMUM COUNTY CASH REQUIREMENT 18,200,000 18,200,000 18,200,000 18,200,000 - 91,000,000 ADDITIONAL EOS CREDIT REQUIREMENT 15,763,650 15,180,049 20,460,024 25,720,390 23,454,329 5,375,405 105,953,846	irle County Percentage Responsibility		50%	50%	50%	50%	50%	Eng/	E00/
MAXIMUM COUNTY CASH REQUIREMENT 18,200,000 18,200,000 18,200,000 18,200,000 - 91,000,000 DDITIONAL EOS CREDIT REQUIREMENT 15,763,650 15,180,049 20,460,024 25,720,390 23,454,329 5,375,405 105,953,846			_		_		<u>==</u> ,,	50/8	20%
MAXIMUM COUNTY CASH REQUIREMENT 18,200,000 18,200,000 18,200,000 18,200,000 - 91,000,000 DDITIONAL EOS CREDIT REQUIREMENT 15,763,650 15,180,049 20,460,024 25,720,390 23,454,329 5,375,405 105,953,846	RIE COUNTY PORTION OF PROJECTED IGT		33 963 650	32 390 040	20 660 024	42 020 200	** ***		
DDITIONAL EOS CREDIT REQUIREMENT 15,763,650 15,180,049 20,460,024 25,720,390 23,454,329 5,375,405 105,953,846			,500,000	,-00,043	20,000,024	42,320,590	41,654,329	5,375,405	196,953,846
DDITIONAL EOS CREDIT REQUIREMENT 15,763,650 15,180,049 20,460,024 25,720,390 23,454,329 5,375,405 105,953,846	MAXIMUM COUNTY CASH REQUIREMENT		18,200 000	18 200 000	18 200 000	19 300 000	10 202 22-		
25,720,350 25,434,329 5,573,405 105,955,846		-		10,200,000	10,200,000	10,200,000	18,200,000		91,000,000
25,720,350 25,434,329 5,573,405 105,955,846	DULLINAL EUS CREUE DEUT DES TRESTENT		45 744 4	45.465					
UMULATIVE ADDITIONAL EOS CREDIT 26,000,000 41,763,650 56,943,698 77,403,722 103,124,112 126,578,441 131,953,846	STATE OF CREDIT REQUIREMENT	-	15,763,650	15,180,049	20,460,024	25,720,390	23,454,329	5,375,405	105,953,846
25,000,000 41,763,650 55,943,698 77,403,722 103,124,112 126,578,441 131,953,846	TIMILIATIVE ADDITIONAL FOR CO.	** ***				-			
	OMOLATIVE AUDITIONAL EOS CREDIT	25,000,000	41,763,650	56,943,698	77,403,722	103,124,112	126,578,441	131,953,846	

0.45%

0.40%

0.35%

0.30%

0.25%

0.16%

0.17%

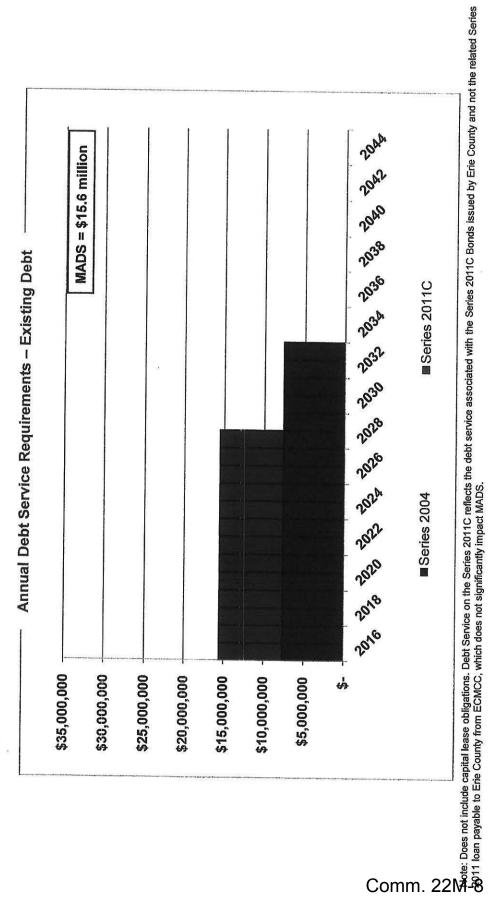
0.13%

Statement of	of Revenues and Expenses – Projectec (Thousands)	Thou	les and Ex (Thousands)	bens	es – P	rojec	ted	
	Audited	Projected	Budget			Projected		
	<u>2015</u>	<u>2016</u>	2017	2018	2019	<u>2020</u>	2021	2022
Net Patient Service Revenue	465,083	484,856	509,502	521,189	542,830	563,311	581,134	594,086
Disproportionate Share, IGT and UPL Revenue	59,237	63,717	63,717	69,582	73,218	76,892	80,602	84,341
Other Operating Revenue	26,089	35,499	42,751	41,734	39,898	38,062	36,226	34,390
Total Operating Revenue	550,409	584,072	615,970	632,505	655,946	678,265	697,962	712,817
Operating Expenses								
Salaries and Benefits	296,405	314,459	326,687	338,858	351,711	367,329	382,340	391,434
Physician Fees and Professional Services	113,509	108,885	117,142	120,071	123,072	126,149	129,303	132,535
Supplies	73,762	78,798	79,895	83,749	87,738	92,048	96,017	99,250
Other Expenses	29,863	44,523	50,663	49,909	48,611	47,274	45,896	44,477
Depreciation and Amortization	27,906	28,371	28,087	26,363	26,406	26,849	26,446	27,383
Interest	8,233	8,036	12,496	11,974	16,440	16,241	15,167	14,530
Total Operating Expenses	549,678	583,072	614,970	630,924	653,978	675,891	695,170	709,609
Income From Operations	731	1,000	1,000	1,581	1,968	2,374	2,792	3,208

Operating Margin % Comm. 22M-8 Page 10 of 22

EXISTING DEBT

Erie County Medical Center Corporation ("ECMCC") currently has two outstanding series of long-term debt with a Maximum Annual Debt Service ("MADS") of \$15.6 million. A schedule of the current annual debt service requirements is shown below.



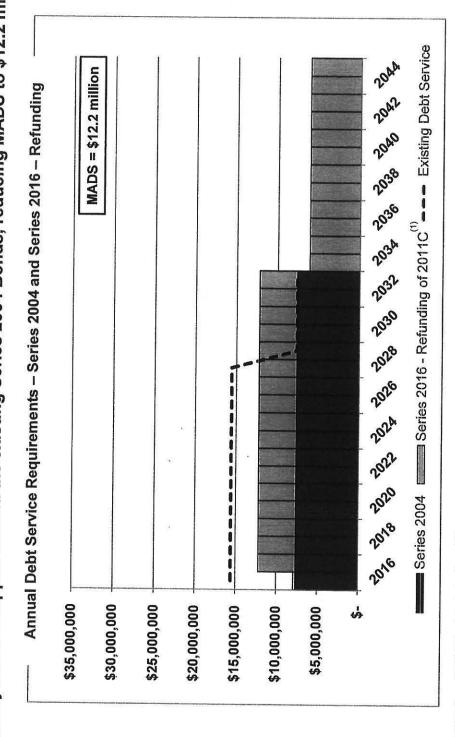
RAYMOND JAMES®

DRAFT
FOR DISCUSSION PURPOSES ONLY

Erie County Medical Center Corporation

SERIES 2004 AND SERIES 2016 - REFUNDING

The graph below highlights the potential decrease in MADS that could be achieved through a refunding of the Series 2011C Bonds. In the analysis shown below, the refunding debt service is extended to a 30-year final maturity and is wrapped around the existing Series 2004 Bonds, reducing MADS to \$12.2 million.



N(series 2016 – Refunding of 2011C Bonds includes the additional proceeds necessary for repayment of the difference in principal outstanding between the 2011 Loan payable to Erie County and Those: Does not include capital lease obligations.

Solution of the difference in principal outstanding between the 2011 Loan payable to Erie County and Those: Does not include capital lease obligations.

RAYMOND JAMES®

Erie County Medical Center Corporation

SERIES 2016 - REFUNDING OF 2011C BONDS SAVINGS ANALYSIS

FOR DISCUSSION PURPOSES ONLY

DRAFT

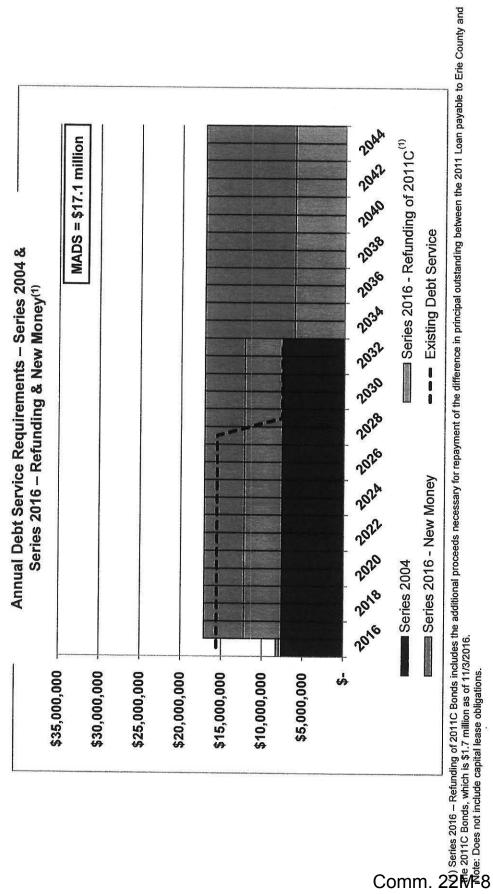
On a 30-year extended maturity basis, an advance refunding of ECMCC's 2011C Bonds currently generates \$376,653 in net present value savings.

2011C Refunding Analysis

															0.5%	5/0,653						\$ 90,658,907	1	1,141,317	\$ 87,847,721			\$ 90,658,907	14,893,907	\$ 75,765,000	The same of the sa
															Average Applied Cash Flow Sovings	NDV on pl. of Definded Dec	Net DV Springs (@ 6 087)	Savings Summary:				Total Uses of Funds	2011C Bonds vs. 2011 Loan Principal Mismatch ⁽¹⁾	Costs of Issuance	Series 2011C Refunding Escrow	Uses of Funds		Total Sources of Funds	Premium	Par Amount	
376,653	(1,485,375)	(1,559,199)	(1,637,159)	(1,719,717)	(1,804,306)	(1,894,135)	(1,989,815)	(2,090,242)	(2,192,072)	(2,304,867)	(2,417,844)	(4,005,448)	(2, 106, 177)	(2,212,444)	(2,324,702)	(2,437,899)	1,843,224	1,933,929	2,029,708	2,134,725	2,239,944	2,356,189	2,595,942	2,719,797	2,862,887	3,000,158	3,152,633	\$ 5,758,240	PV at 5.0%	*	
\$ (51,048,267) \$	(6, 137, 250)	(6, 135, 500)	(6,135,500)	(6, 138, 000)	(6, 133, 250)	(6, 132, 000)	(6, 135, 000)	(6, 137, 750)	(6, 130, 250)	(6, 138, 750)	(6, 133,000)	(4,614,000)	(4,615,000)	(4,617,000)	(4,620,250)	(4,614,500)	3,322,750	3,320,250	3,318,750	3,324,250	3,322,000	3,328,000	3,325,750	3,318,500	3,326,750	3,320,250	3,322,850	\$ 5,780,133	Savings	Cash Flow	
3,142	7,250	6,135,500	6,135,500	6,138,000	6,133,250	6, 132,000	6,135,000	6,137,750	6,130,250	6,138,750	6,133,000	4,614,000	4,615,000	4,617,000	4,620,250	4,614,500	4,615,250	4,617,750	4,617,000	4,613,000	4,616,250	4,611,500	4,614,500	4,617,500	4,613,000	4,616,500	4,614,900	\$ 293,992	Debt Service	Refunding	
Total \$ 101,327,875 \$ 152,376	•	9		ľ		Ĭ	•	3.9		•	1	E	31 0	1	I.	24 D	7,938,000	7,938,000	7,935,750	7,937,250	7,938,250	7,939,500	7 936 500	7,936,000	7,939,750	7,936,750	7,937,750	\$ 6,074,125	Service	2011C Debt	
Total	12/01/2045	12/01/2044	12/01/2043	12/01/2042	12/01/2041	12/01/2040	12/01/2039	12/01/2038	12/01/2037	12/01/2036	12/01/2035	12/01/2033	12/01/2032	12/01/2031	12/01/2030	12/01/2029	12/01/2028	12/01/2027	12/01/2026	12/01/2025	12/01/2024	12/01/2023	12/01/2021	12/01/2020	12/01/2019	12/01/2018	12/01/2017	12/01/2016	FYE		

SERIES 2004 AND SERIES 2016 - REFUNDING AND NEW MONEY

The graph below includes the New Money component as well as a refinancing of the 2011C Bonds. In this scenario, the New Money component also has a 30-year maturity and is wrapped around existing and refinanced debt to create level debt service and minimize MADS,



4

RAYMOND JAMES®

Erie County Medical Center Corporation

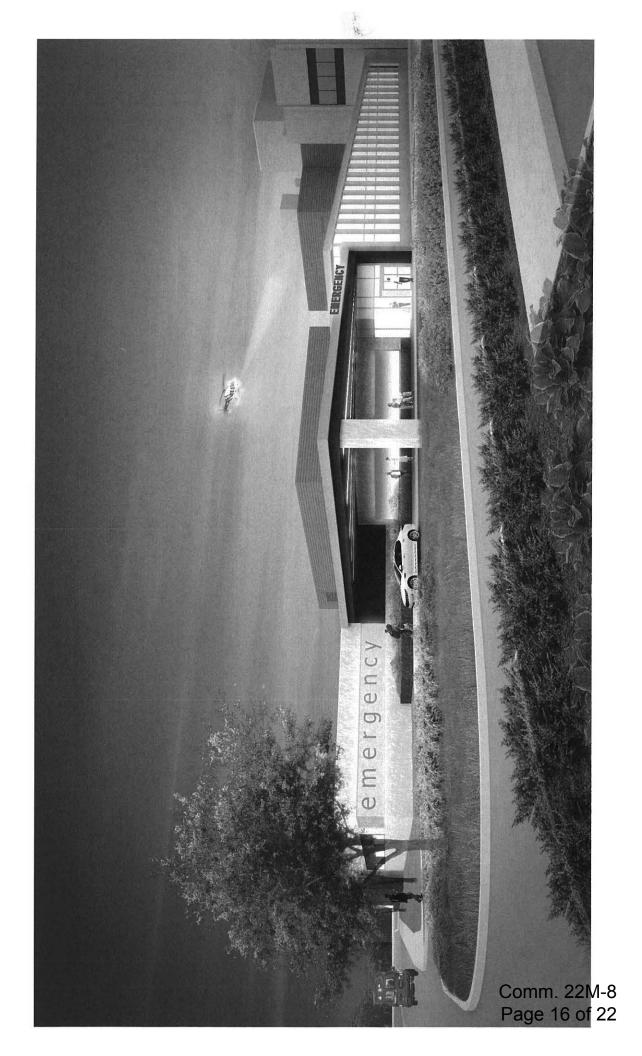
FOR DISCUSSION PURPOSES ONLY DRAFT

SERIES 2004 AND SERIES 2016 – REFUNDING AND NEW MONEY (CONT'D)

The Sources & Uses and Bond Summary Statistics for the Aggregate Refunding and New Money Series 2016 Bonds scenario outlined on the previous slide are shown in the chart below.

				een the 2011 Loan payable to Erie County and	
y Statistics —	\$173,020,000 33,719,708 \$206,739,708	\$ 99,720,694 87,847,721 14,899,922 2,601,501 1,669,870 \$206,739,708	11/3/2016	2.72% 3.69% 3.78% 22.43 years rincipal outstanding betw	
Series 2016 – Refunding and New Money Statistics	Sources of Funds Par Amount Premium Total Sources of Funds	Uses of Funds Project Fund Series 2011C Refunding Escrow Capitalized Interest Fund Costs of Issuance 2011C Bonds vs. 2011 Loan Principal Mismatch ⁽¹⁾ Total Uses of Funds	Key Assumptions Delivery Date Final Maturity Key Statistics	Arbitrage Yield TC All-In TIC Average Life 2.72% 3.69% Average Life 2.72% 2.743 years County and Series 2016 – Refunding of 2011C Bonds includes the additional proceeds necessary for repayment of the difference in principal outstanding between the 2011 Loan payable to Erie County and	016.
				Comm. 5010 Series 2016 – Refunding of 2011C Bonds included to the control of 2011C Bonds in cont	Use Zolic Bonds, which is \$1.7 million as of 11/3/2. Colofe: Does not include capital lease obligations.

RAYMOND JAMES®



The difference between healthcare and true care™





462 Grider Street * Buffalo, New York * 14215 * 716-898-3000 * www.ecmc.edu

NEWS

For Immediate Release

November 10, 2016

CONTACTS:

Peter K. Cutler at 716-898-6505 or <u>pcutler@ecmc.edu</u> VP, Communications and External Affairs

Joseph B. Cirillo at 716-898-4300 or jcirillo@ecmc.edu Director, Public Relations and Communications

ECMCC AWARDED HOSPITAL ACCREDITATION FROM THE JOINT COMMISSION

Outcome reflects ECMCC's commitment to providing safe and effective patient care

BUFFALO, NEW YORK—Erie County Medical Center Corporation (ECMCC) today announced it has earned The Joint Commission's Gold Seal of Approval[®] for its full <u>Hospital Accreditation</u> for a three-year period by demonstrating continuous compliance with its performance standards. The Gold Seal of Approval[®] is a symbol of quality that reflects an organization's commitment to providing safe and effective patient care.

ECMC underwent a rigorous, unannounced onsite survey in late July. During the review, a team of Joint Commission expert surveyors evaluated compliance with hospital standards related to several areas, including emergency management, environment of care, infection prevention and control, leadership, and medication management. Surveyors also conducted onsite observations and interviews.

The Joint Commission has accredited hospitals for more than 60 years. More than 4,000 general, children's, long-term acute, psychiatric, rehabilitation and specialty hospitals currently maintain accreditation from The Joint Commission, awarded for a three-year period. In addition, approximately 360 critical access hospitals maintain accreditation through a separate program.

ECMCC Chair Sharon L. Hanson said, "The Board of Directors at ECMC always has quality care and safety as it's number one priority, and this accreditation demonstrates that the leadership team and all of its physicians, nurses, and staff assures the very best care every day, one patient at a time. ECMC is the community's hospital, and the community should be comforted that their Adult Trauma Center is among the best in the nation."

Comm. 22M-8 Page 17 of 22 ECMCC President and CEO Thomas J. Quatroche Jr., Ph.D., said, "Joint Commission accreditation is known throughout the country as the national standard of excellence. This accreditation affirms the quality of care at Western New York's only Adult Trauma Center. I commend the entire ECMC family for their incredible dedication and commitment, ensuring that our patients receive the highest quality care and their families and loved ones are treated with dignity and respect to help ensure that ECMC continues as the region's hospital of choice.

The Joint Commission Chief Operating Officer, Division of Accreditation and Certification Operations, Mark G. Pelletier, RN, MS, said, "Joint Commission accreditation provides hospitals with the processes needed to improve in a variety of areas from the enhancement of staff education to the improvement of daily business operations. In addition, our accreditation helps hospitals enhance their risk management and risk reduction strategies. We commend Erie County Medical Center for its efforts to become a quality improvement organization."

The Joint Commission's hospital standards are developed in consultation with health care experts and providers, measurement experts and patients. The standards are informed by scientific literature and expert consensus to help hospitals measure, assess and improve performance.

-30-

The Joint Commission: Founded in 1951, The Joint Commission seeks to continuously improve health care for the public, in collaboration with other stakeholders, by evaluating health care organizations and inspiring them to excel in providing safe and effective care of the highest quality and value. The Joint Commission accredits and certifies nearly 21,000 health care organizations and programs in the United States. An independent, nonprofit organization, The Joint Commission is the nation's oldest and largest standards-setting and accrediting body in health care. Learn more about The Joint Commission at www.jointcommission.org.

ABOUT ERIE COUNTY MEDICAL CENTER (ECMC) CORPORATION: The ECMC Corporation was established as a New York State Public Benefit Corporation and since 2004 has included an advanced academic medical center with 602 inpatient beds, on- and off-campus health centers, more than 30 outpatient specialty care services and Terrace View, a 390-bed long-term care facility. ECMC is Western New York's only Level 1 Adult Trauma Center, as well as a regional center for burn care, behavioral health services, transplantation, medical oncology and head & neck cancer care, rehabilitation and a major teaching facility for the University at Buffalo. Most ECMC physicians, dentists and pharmacists are dedicated faculty members of the university and/or members of a private practice plan. More Western New York residents are choosing ECMC for exceptional patient care and patient experiences—the difference between healthcare and true careTM.

The difference between healthcare and true care™





NEWS: For Immediate Release

NEWS CONTACT: Tom Quatroche at 716-898-5503 -or- tquatroc@ecmc.edu

ECMC Receives National Verification for Trauma Center American College of Surgeons confers elite status on medical center

BUFFALO, NY – June 12, 2015 – The national Committee on Trauma of the American College of Surgeons (ACS) this week named Erie County Medical Center a Level I Trauma Center, only the fifth in New York.

The ACS Committee on Trauma – from which two designees visited ECMC March 10-11 for an on-site review – provides confirmation that a trauma center has demonstrated its commitment to providing the highest-quality trauma care for all injured patients. The ACS notification specifically indicated that absolutely no deficiencies were found in the review and evaluation process. Achieving verification means that the hospital voluntarily met criteria that improve the standard of care as outlined by the American College of Surgeons' Committee on Trauma's current Resources for Optimal Care of the Injured Patient manual.

Established by the American College of Surgeons in 1987, the designation program promotes development of trauma centers in which participants provide not only the hospital resources necessary for trauma care, but also the entire spectrum of care to address the needs of all injured patients from the prehospital phase through the rehabilitation process.

"Clearly, this is a confirmation of ECMC's commitment to the highest quality trauma care," said ECMC CEO Richard C. Cleland. "Today, we recognize all of the doctors, nurses, and first responders who have made this Trauma Center system one of the best in the nation."

There are five separate categories of verification in the program. Each category has specific criteria that must be met by a facility seeking that level of verification. Each hospital has an on-site review by a team of experienced site reviewers, who use the current Resources for the Optimal Care of the Injured Patient manual as a guideline in conducting the survey.

Comm. 22M-8 Page 19 of 22 FAQ, American College of Surgeons Committee on Trauma Consultation/Verification Program for Hospitals

What is the Committee on Trauma?

The Committee on Trauma (COT), a standing committee of the American College of Surgeons (ACS), works to improve all phases of care of the injured patient and to prevent injuries before they occur. The COT promotes leadership and cooperation of all participants in a trauma center so that the best possible care will be provided to injured patients. The COT also requires the commitment of each facility's surgeons to the improvement of trauma care. Recognizing that trauma is a surgical disease that demands surgical leadership, the ACS established the Committee on Trauma, its oldest standing committee, in 1922.

What is the Consultation/Verification Program?

Established by the ACS Committee on Trauma in 1987, the Consultation/Verification Program is designed to promote the development of trauma centers in which participants provide the hospital resources necessary to address the trauma needs of all injured patients. The Consultation Program is designed to help hospitals and their personnel prepare for this endeavor. The Verification Program confirms that all the criteria have been met.

What is Resources for Optimal Care of the Injured Patient?

This document is the resource manual of the COT. First published in 1976 as Optimal Hospital Resources for Care of the Injured Patient, the manual established guidelines for the care of injured patients. Subsequent revisions have continued the COT's commitment to ensuring that resources and personnel for providing optimal care for injured patients are in place in trauma programs. In 1990, the name of this manual was changed to Resources for Optimal Care of the Injured Patient to reflect a change in trauma care and to complement an important and abiding principle of the Committee on Trauma: To ensure that the needs of all injured patients are addressed wherever they are injured and wherever they receive care.

How did the verification program begin?

An obvious outgrowth of the establishment of the COT's guidelines for optimal care was the development of a verification process through which a hospital could be evaluated by ACS Comm. 22M-8

trauma surgeons to determine whether the criteria for optimal care of injured patients were being met. Thus, the Verification/Consultation Program for Hospitals was established in 1987.

How many categories of verification does the program have?

There are five separate categories of verification in the COT's program (Level I Trauma Center, Level II Trauma Center, Level II Pediatric Trauma Center and Level II Pediatric Trauma Center), each with specific criteria that must be met by a facility seeking that level of verification.

How does a hospital or clinic receive verification?

The level of verification is requested by the hospital. An on-site review of the hospital is conducted by a team of reviewers experienced in the field of trauma. Using the current Resources for Optimal Care of the Injured Patient manual as a guideline, this team will determine if the criteria for the requested level have been met.

THIRD QUARTER RESULTS

	Septe	ember 30	Increase	
	<u>2016</u>	<u>2015</u>	(Decrease)	<u>%</u>
Discharges	14,158	13,793	365	2.6%
Average Length of Stay	<u>7.6</u>	<u>8.0</u>	(0.4)	<u>-5.2%</u>
Acute Case Mix Index	1.85	1.74	0.11	6.5%
Surgeries				
Inpatient	4,289	4,136	153	3.7%
Outpatient	5,267	4,964	303	6.1%
Total	9,556	9,100	<u>456</u>	5.0%
Emergency Room Visits Outpatient Visits	52,574	50,799	1,775	3.5%
Outpatient visits	231,013	219,367	11,646	5.3%

