



# Southwest Mississippi Regional Medical Center



**2018 Fiscal Year Budget**

**Southwest Mississippi Regional Medical Center**

---

**Lawrence County Hospital**

---

**St. Luke Home Health**

---

**SOUTHWEST HEALTH SYSTEM  
SIGNIFICANT BUDGET ASSUMPTIONS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

- A Combined statements include Southwest MS Regional Medical Center, Lawrence County Hospital and St. Luke Home Health.
- B Supply increases of 2%, and drug cost increases of 5%.
- C Medicaid DSH funding and Medicare/Medicaid upper payment limit funding is expected to be approximately the same amount, \$9.6 million, as in FY 2017 at both SMRMC and LCH.
- D Personnel costs are expected to remain flat or decrease.
- E No estimated revenue rate increases at SMRMC or LCH.
- F The USDA DIRECT LOAN will be completed in 2018.

---

**SOUTHWEST HEALTH SYSTEM**  
**STATEMENT OF BUDGETED REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**COMBINED**  
**BUDGETED**  
**FY 2018**

---

Net patient revenue	\$147,830,000
Other operating revenue	1,776,000
<b>Net operating revenue</b>	<b>149,606,000</b>
Salaries and Benefits	88,404,000
Supplies	30,822,000
Professional fees	1,347,000
Purchased services	4,725,000
Repairs and maintenance	8,428,000
Other operating expenses	3,628,000
Utilities	1,766,000
Rentals	2,630,000
Depreciation and amortization	5,687,000
Interest	672,000
<b>Total operating expenses</b>	<b>148,109,000</b>
<b>Net income</b>	<b>\$1,497,000</b>

---

**SOUTHWEST HEALTH SYSTEM**  
**STATEMENT OF BUDGETED REVENUES AND EXPENSES ENTITY DETAIL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	SMRMC BUDGETED FY 2018	LCH BUDGETED FY 2018	ST. LUKE BUDGETED FY 2018	COMBINED BUDGETED FY 2018
Net patient revenue	\$127,565,179	\$9,284,018	\$10,980,803	\$147,830,000
Other operating revenue	1,588,763	144,815	42,422	1,776,000
<b>Net operating revenue</b>	<b>129,153,942</b>	<b>9,428,833</b>	<b>11,023,225</b>	<b>149,606,000</b>
Salaries and Wages	70,579,244	3,450,056	5,050,700	79,080,000
Employee Benefits	6,747,070	784,071	1,792,859	9,324,000
Supplies	28,557,217	1,578,924	685,859	30,822,000
Professional fees	855,123	247,170	244,707	1,347,000
Purchased services	4,093,335	592,895	38,770	4,725,000
Repairs and maintenance	7,543,969	648,390	235,641	8,428,000
Other Operating	1,537,368	683,770	1,406,862	3,628,000
Utilities	1,309,197	319,354	137,449	1,766,000
Rentals	1,915,452	517,868	196,680	2,630,000
Depreciation and amortization	5,104,749	548,597	33,654	5,687,000
Interest	657,089	14,911	0	672,000
<b>Total operating expenses</b>	<b>128,899,813</b>	<b>9,386,006</b>	<b>9,823,181</b>	<b>148,109,000</b>
<b>Net income</b>	<b>\$254,129</b>	<b>\$42,827</b>	<b>\$1,200,044</b>	<b>\$1,497,000</b>

**SOUTHWEST HEALTH SYSTEM**  
**STATEMENT OF BUDGETED CASH FLOWS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	FUNDS				
	OPERATING	BOARD DESIGNATED	INSURANCE	2003 REV BONDS	TOTAL
Budgeted net income from operations, 2018	\$1,447,000	\$0	\$0	\$50,000	\$1,497,000
Add: Depreciation and amortization	5,687,000	0	0	0	5,687,000
Budgeted funds provided by operations and investments	7,134,000	0	0	50,000	7,184,000
New borrowings	20,575,000				20,575,000
Release of restricted funds	2,909,000			-2,909,000	0
Transfers for bond principal	-11,295,000	0	0	11,295,000	0
Transfers for property, plant and equipment	-6,424,000	6,424,000	0	0	0
<b>Total budgeted sources of cash and securities</b>	<b>12,899,000</b>	<b>6,424,000</b>	<b>0</b>	<b>8,436,000</b>	<b>27,759,000</b>
Purchase/construction of property, plant and equipment	0	6,424,000	0	0	6,424,000
Principal repayments on long-term debt	4,500,000	0	0	11,295,000	15,795,000
<b>Total budgeted uses of cash and securities</b>	<b>4,500,000</b>	<b>6,424,000</b>	<b>0</b>	<b>11,295,000</b>	<b>22,219,000</b>
<b>Increase (decrease) in cash and securities</b>	<b>8,399,000</b>	<b>0</b>	<b>0</b>	<b>-2,859,000</b>	<b>5,540,000</b>
<b>Projected cash and securities, 9/30/2017</b>	<b>15,122,000</b>	<b>0</b>	<b>1,019,000</b>	<b>2,963,000</b>	<b>19,104,000</b>
<b>Projected cash and securities, 9/30/2018</b>	<b>\$23,521,000</b>	<b>\$0</b>	<b>\$1,019,000</b>	<b>\$104,000</b>	<b>\$24,644,000</b>

---

**SOUTHWEST HEALTH SYSTEM**  
**STATEMENTS OF BUDGETED FUND BALANCE AND LONG-TERM DEBT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

---

Projected fund balance, 9/30/2017	\$48,729,000
Budgeted FY 2018 net income	1,497,000
<b>Budgeted fund balance, 9/30/2018</b>	<b>\$50,226,000</b>

---

---

Long-term debt, 9/30/2017	\$20,003,000
Proceeds from refinancing	20,575,000
Principal repayments	-15,795,000
<b>Long-term debt, 9/30/2018</b>	<b>\$24,783,000</b>

---

---

**SOUTHWEST HEALTH SYSTEM**  
**SIGNIFICANT BUDGETED STATISTICAL INFORMATION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**BUDGETED**  
**FY 2018**

---

**SOUTHWEST MS REGIONAL MEDICAL CENTER:**

Total patient days, excluding well baby	18,691
Clinical outpatient visits	35,306
ER visits	38,000
Main OR surgery cases	2,278
GI surgery cases	4,424
ASC surgery cases	2,926
Heart center surgery cases	170
Total surgical cases	9,798
Cath lab procedures	3,564

---

**LAWRENCE COUNTY HOSPITAL:**

Overall patient days, including swing beds	2,403
--	-------

---

**ST. LUKE HOME HEALTH, LLC.**

Overall home health visits	33,424
Overall hospice visits	20,910

---