



**NASSAU HEALTH CARE CORPORATION
& SUBSIDIARIES**

OPERATING BUDGET

FISCAL YEAR ENDED DECEMBER 31, 2011

Approved: September 27, 2010

Nassau Health Care Corporation and Subsidiaries
Operating Budget For Twelve Months Ending December 31, 2011
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EXECUTIVE SUMMARY

The Nassau Health Care Corporation (NHCC) produced its first ever operating surplus of \$804,000 for calendar year ending December 31, 2009. This outstanding result for NHCC was achieved through an extensive list of revenue cycle initiatives, supply chain initiatives, staffing efficiencies, information technology upgrades, faculty practice plan realignment, and various program enhancements for a prospective annual impact in excess of \$271 million over the last nine years.

NHCC's 2010 operating budget called for an operating deficit of approximately \$8.5 million and management's current projection is an operating deficit of approximately \$8.9 million. The 2011 operating budget is expected to produce similar results to 2010 in spite of continued pension increases of approximately \$8 million and health insurance premium increases of approximately \$5 million.

NHCC has made tremendous strides during 2010 in improving its operations in both the inpatient and ambulatory arenas. For example, a hospitalist program commenced July 1, 2010 and is having a significant positive impact in average daily census, length of stay, discharge volumes, medical record documentation and coding, and Part B physician billing improvements. NHCC also secured a full-time neurosurgeon during 2010, whose inpatient and ambulatory cases are extremely profitable for NHCC. NHCC entered into an arrangement with North American Partners in Anesthesia (NAPA, an independent, Long Island based, 300+ physician group). This arrangement has been very successful, has improved efficiencies in the operating rooms and has improved reimbursement significantly. A new arrangement with Long Island Plastic Surgery (LIPS, an independent, Long Island based plastic surgery group) was executed which has resulted in improved volume in plastic surgery, both

EXECUTIVE SUMMARY (Continued)

Inpatient and Ambulatory, including: hyperbaric, wound care and burn volume. Cardiology has been completely restructured through an arrangement with NS/LIJ and has shown continued growth in the latter part of 2010.

On the ambulatory side, NHCC received Federally Qualified Health Center “look alike” status in June of 2010 for its four Community Health Centers in Hempstead, Roosevelt, Elmont and Westbury. This Federal designation has significant reimbursement improvement for its Medicaid and Medicare population. Additionally, it is a significant asset NHCC is using to attract community physicians with robust private practices. Finally, NHCC replaced its Hempstead and Freeport locations with expanded state-of-the-art facilities to accommodate enhanced patient experience, quality and volume.

Revenue cycle improvements are an ongoing initiative and NHCC has made improvements in its charge master inclusiveness and denial management. Similarly, information technology enhancements are an ongoing and continuous process and NHCC has made tremendous strides in 2010 in automating its ambulatory and emergency room department medical record and financial systems through a contract it entered into with Allscripts/Eclipsys. This automation complements the Eclipsys and Siemens products on the inpatient side and prepares NHCC for Medicare’s meaningful use definition and qualifies NHCC for enhanced reimbursement for both Medicare and Medicaid in 2011.

EXECUTIVE SUMMARY (Continued)

To summarize the financial impact of these operational and financial improvements, the 2011 budget includes the following:

	<u>(\$ Millions)</u>
Medicare HIT funding	7.1
Hospitalist Program	7.8
Neurosurgery	4.8
Plastics, Burn, Hyberbaric, Wound Care	1.0
Cardiology	2.2
NAPA	1.2
Reimbursement Appeals	2.0
Charge Master Improvements	3.0
Denial Management	3.0
Dialysis Expansion	<u>2.0</u>
 Total Revenue Improvements	 <u>34.1</u>

With regard to A. Holly Patterson Extended Care Facility (AHP), Certificate of Need (CON) approval was received in 2008. Management has been working on financing vehicles to fund the \$105 million replacement project and expects to receive Housing and Urban Development (HUD) ninety percent financing by the end of 2010. The remaining ten percent has been allocated and internally restricted from the tobacco proceeds secured in the 2007 Successor Agreement with Nassau County.

NHCC's projected \$8.8 million deficit for 2011, before "Other Operating Items" is comprised of net income (loss); NUMC (\$9.9) million; AHP (\$0.4) million; Community Health Centers \$0.6 million and NHCC, Ltd \$0.9 million.

EXECUTIVE SUMMARY (Continued)

The 2010 budget (“budget”), after trending revenues and expenses accordingly and assuming relatively consistent patient volumes compared to 2010 results in a baseline deficit of approximately \$46.9 million (“the baseline gap.”). Management has identified approximately \$38.1 million of gap closing revenue and expense initiatives to essentially produce an \$8.8 million budget deficit for 2011.

Historically, NHCC management was successful in achieving approximately \$271 million of its previous year’s initiatives, which have cumulatively yielded ongoing bottom line improvement. The values of these past initiatives by year are: \$36 million in 2001, \$26 million in 2002, \$40 million in 2003, \$51 million in 2004, \$18 million in 2005, \$15 million in 2006, \$24 million in 2007, \$21 million in 2008 and \$29 million in 2009 and \$11 million in 2010.

NHCC is budgeted to produce a consolidated baseline net loss of \$46.9 million during fiscal year 2011 before revenue and expense initiatives, and \$8.8 million deficit after the successful implementation of such initiatives (before non-cash items including: 1) change in fair value of derivative instruments and 2) amortization of refunding loss and 3) other post-employment benefits.

This consolidated deficit is divided among the enterprises as follows: Nassau University Medical Center (“NUMC”), A. Holly Patterson Extended Care Facility (“AHPECF”), the Community Health Centers (“CHC’s”) and NHCC, Ltd. (“LTD”) are projected to produce net income (losses) of (\$9.9) million, (\$0.4) million, \$0.6 million, and \$0.9 million, respectively.

Consolidated cash flow from operations is budgeted at positive \$10.8 million. Investment income is projected to generate \$0.2 million, and budgeted capital expenditures from operations are projected at \$10 million, resulting in a projected ending unrestricted cash balance of \$9 million.

The 2011 budget will be an ongoing process and is presented as a working document. Management will be continually reviewing areas of possible expense reduction and revenue enhancement throughout the year. To assure fiscal responsibility and accountability on behalf of NHCC, all expenditures and staffing requirements as presented in this budget will be subject to the review, evaluation and approval of management.

FACILITY SPECIFIC ASSUMPTIONS

Nassau University Medical Center

Revenue Assumptions

Baseline patient day and discharge volumes for fiscal 2011 are projected on the basis of 8 months of actual utilization in fiscal 2010, and reflect seasonal fluctuations within the inpatient service areas. The budget assumes that fiscal 2011 volume will increase by 3.88% or 903 discharges. The 903 discharges relates to inpatient growth from the expansion of the renal dialysis unit from 13 to 29 chairs (154 discharges), implementation of the Hospitalist Program (462 discharges) and changes to the Neurosurgery, Plastics and Cardiology programs (287 discharges). The growth will be realized effective 1/1/11.

Year	DISCHARGE VOLUMES	% CHANGE FROM PREVIOUS YEAR
2000	21,554	3.75%
2001	21,914	1.67%
2002	22,475	2.56%
2003	24,043	6.98%
2004	22,728	(5.47%)
2005	22,894	0.73%
2006	22,500	(1.72%)
2007	23,175	3.00%
2008	23,883	3.06%
2009	23,861	(0.09%)
2010 Projected	23,299	(2.36%)
2011 Budget	24,202	3.88%

Net Patient service revenue is projected to increase by \$14.6 million over projected 2010 revenue. The increase is related to appeals of \$2.0 million, revenue cycle improvements of \$6.0 million, and \$14.0 million from increase or expansion of existing services. These increases are offset by full year implementation of NYS budget cuts of 7.4 million.

Medicaid and Medicare case mix indexes (“CMI”) are budgeted at the 2010 level of .91 and 1.33, respectively.

FACILITY SPECIFIC ASSUMPTIONS

Nassau University Medical Center (Continued)

Expense Assumptions

Salary and Fringe Benefit expense has been budgeted at \$285.3 million, an increase of \$7.7 million from the 2010 projected actual. A zero rate increase effective January 1, 2011, a step increase throughout 2011, along with the anticipated fringe benefit increases account for the increase.

Supplies expense are projected to increase \$.6 million or 2.5% from the 2010 projected actual.

General expenses are projected to increase \$1.7 million or 2.5% from the 2010 projected actual. An overall inflation factor of 2.0% on general expenses and a 5% inflation factor on Pharmaceuticals have been factored into the 2011 Budget.

Utilities are projected to increase \$1.0 million or 4.7% from the 2010 projected actual.

Depreciation expense is projected based upon historical information with consideration given to the current and future capital expenditure requirements.

Interest expense is projected utilizing actual amortization amounts relating to the direct pay letters of credit in place as of April 2009, the synthetic rate swap arrangements put in place in October 2004 and \$33.7 million bond redemption in 2008.

Bad Debt expense is budgeted at \$36.6 million, which represents 11.06% of total patient revenue compared with 12.05% anticipated for 2010. This decrease is direct impact of the denial management revenue cycle initiative.

FACILITY SPECIFIC ASSUMPTIONS

A. Holly Patterson Extended Care Facility

Revenue Assumption

Occupancy levels are projected at 98.5%, or an average daily census (ADC) of 580 for 2011. This compares to 98.4% or an ADC of 580 projected for 2011.

Operating Revenue is projected to decrease by \$8,891,000. The revenue decrease consists of:

1) Rate & volume increase	\$ 684,000
2) IGT payment / Mission Payment	(7,454,000)
3) State Aid	(2,112,000)
4) Other	<u>(9,000)</u>
Total	<u>\$ 8,891,000</u>

Expense Assumptions

Salary and Fringe Benefit expense has been budgeted at \$44.5 million, an increase of \$2.7 million from the 2010 projected actual. A zero rate increase effective January 1, 2011, a step increase throughout 2011, and full longevity payment per the Stabilization agreement, along with an increase of 1.5 FTE's account for this increase.

Supplies expense and General expenses are projected to increase \$.3 million or 2.5% from the 2010 projected actual.

Utilities are projected to increase \$114,000 or 5.7% from the 2010 projected actual.

FACILITY SPECIFIC ASSUMPTIONS

Community Health Centers

Revenue Assumptions

Visit volumes for fiscal 2011 are based on the 2010 estimated visits volumes.

Year	Visits	% CHANGE FROM PREVIOUS YEAR
2000	66,119	
2001	57,257	(13.4%)
2002	57,278	0.0%
2003	56,196	(1.9%)
2004	50,970	(9.3%)
2005	65,075	27.7%
2006	65,415	0.5%
2007	69,128	5.7%
2008	78,897	14.1%
2009	78,488	(0.5%)
2010 Projected	72,073	(8.2%)
2011 Budgeted	72,300	0.3%

Operating revenue is projected to increase by \$802,000 over projected 2010 revenue. This increase is related to an additional \$815,000 of increased revenue for the full year implementation of the FQHC offset by decreases in State Aid of \$12,000 and a decrease in investment income of \$1,000.

Expenses

Salary and Fringe Benefit expense has been budgeted at \$9.8 million, a decrease of \$1.9 million from the 2010 projected level. A restructuring of Skill Mix at the centers during 2010, decrease in anticipated FTE's for 2011 and a zero rate increase effective January 1, 2011, offset by a step increase throughout 2011, along with the anticipated fringe benefit changes account for the decrease.

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SECTION TWO

OPERATING BUDGET

FISCAL YEAR ENDED DECEMBER 31, 2011

**COMPARATIVE FINANCIAL STATEMENT
PRESENTATION**

Nassau Health Care Corporation and Subsidiaries
Projected Revenue & Expenses

Consolidated

Comparative

(In Thousands)

	<u>Audited *</u> <u>FYE</u> <u>12/31/2006</u>	<u>Audited *</u> <u>FYE</u> <u>12/31/2007</u>	<u>Audited *</u> <u>FYE</u> <u>12/31/2008</u>	<u>Audited *</u> <u>FYE</u> <u>12/31/2009</u>	<u>Actual</u> <u>YTD</u> <u>08/31/2010</u>	<u>2010</u> <u>Projected</u> <u>SEPT</u>	<u>2010</u> <u>Projected</u> <u>OCT</u>	<u>2010</u> <u>Projected</u> <u>NOV</u>	<u>2010</u> <u>Projected</u> <u>DEC</u>	<u>Projected</u> <u>FYE</u> <u>12/31/2010</u>	<u>Budgeted</u> <u>FYE</u> <u>12/31/2011</u>
Operating Revenues:											
Net patient service revenue	383,494	397,313	401,862	400,836	269,923	31,765	32,231	31,054	32,534	397,507	420,079
NYS Intergovernmental transfer	41,625	31,144	41,664	83,543	75,728	11,302	11,302	11,301	11,301	120,934	102,528
Nassau County Billings	28,480	33,068	41,383	41,922	-	-	-	-	-	-	-
Historical Mission Payments	2,808	16,064	18,000	5,000	3,336	416	416	416	416	5,000	5,000
Federal & State Aid	3,560	8,449	9,651	10,017	3,440	394	394	394	394	5,016	10,429
Practice Plan Revenue	665	-	-	-	-	-	-	-	-	-	-
Investment Income	4,317	5,148	2,802	1,007	934	67	66	67	66	1,200	1,236
Miscellaneous	13,958	14,120	16,408	19,381	10,423	1,528	1,528	1,528	1,528	16,535	19,232
Total operating revenue	478,907	505,306	531,770	561,706	363,784	45,472	45,937	44,760	46,239	546,192	558,504
Operating Expenses:											
Salaries	218,299	229,099	251,404	258,001	167,066	21,086	21,758	21,086	21,758	252,754	254,965
Fringe Benefits	67,095	80,342	85,149	89,114	60,528	7,273	7,512	7,273	7,512	90,098	96,377
Supplies	23,101	23,737	26,507	25,535	18,109	2,267	2,342	2,267	2,342	27,327	28,035
Expenses	77,718	77,682	87,767	89,000	59,093	7,541	7,759	7,541	7,759	89,693	91,511
Utilities	21,934	21,432	23,393	22,222	16,524	1,823	1,884	1,823	1,884	23,938	25,100
Depreciation Expense	15,549	15,712	16,451	17,868	12,091	1,503	1,503	1,503	1,503	18,103	18,636
Interest & Amortization	13,271	11,540	13,678	13,092	7,773	928	928	928	928	11,485	11,964
Bad Debt Expense	53,936	50,624	50,900	46,044	30,139	3,667	2,190	2,339	3,317	41,652	40,746
Total operating expenses	490,903	510,168	555,249	560,876	371,323	46,088	45,876	44,760	47,003	555,050	567,334
Gain (Loss) From Operations	(11,996)	(4,862)	(23,479)	830	(7,539)	(616)	61	-	(764)	(8,858)	(8,830)
Other Operating Items:											
Other Post Employment Benefits	-	(42,482)	(38,385)	(39,370)	(27,616)	(3,452)	(3,452)	(3,452)	(3,452)	(41,424)	(41,424)
Change in Derivative Instruments	3,498	(7,181)	(33,616)	21,912	(22,813)	-	-	-	-	(22,813)	43,699
Grants for Capital Asset Acquisition	-	20,773	71,888	42,768	-	-	-	-	-	-	-
Third Party Retro Rate Adjustment	-	-	10,286	(15,572)	-	-	-	-	-	-	-
Amortization of Refunding Loss	(2,353)	(2,334)	(2,308)	(2,317)	(1,520)	(192)	(192)	(192)	(192)	(2,288)	(2,275)
Total Other Operating Items	1,145	(31,224)	7,865	7,421	(51,949)	(3,644)	(3,644)	(3,644)	(3,644)	(66,525)	-
Net income (loss)	(10,851)	(36,086)	(15,614)	8,251	(59,488)	(4,260)	(3,583)	(3,644)	(4,408)	(75,383)	(8,830)

* Captive not eliminated / NHC Eliminated

Nassau Health Care Corporation and Subsidiaries

Budgeted Revenue & Expenses

Consolidated

For the twelve months ended 12/31/11

(In Thousands)

	2011 Budgeted												2011	Projected FYE	Audited FYE
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	12/31/2010	12/31/2009
Operating Revenues:															
Net patient service revenue	34,943	32,432	36,046	34,910	35,680	34,937	35,393	36,164	34,933	35,016	34,116	35,509	420,079	397,507	400,836
NYS Intergovernmental transfer	8,544	8,544	8,544	8,544	8,544	8,544	8,544	8,545	8,545	8,545	8,545	8,545	102,528	120,934	83,543
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,922
Historical Mission Payments	417	417	417	417	417	417	417	417	416	416	416	416	5,000	5,000	5,000
Federal & State Aid	281	281	281	281	281	281	281	281	281	281	281	7,338	10,429	5,016	10,017
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	103	103	103	103	103	103	103	103	103	103	103	103	1,236	1,200	1,007
Miscellaneous	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,604	1,604	1,604	1,604	19,232	16,535	19,381
Total operating revenue	45,890	43,379	46,993	45,857	46,627	45,884	46,340	47,112	45,882	45,965	45,065	53,515	558,504	546,192	561,706
Operating Expenses:															
Salaries	21,987	19,981	21,287	20,619	21,637	20,619	21,637	21,287	20,969	21,637	21,669	21,636	254,965	252,754	258,001
Fringe Benefits	8,499	7,714	8,215	7,953	8,325	7,864	8,183	7,974	7,783	7,996	7,974	7,897	96,377	90,098	89,114
Supplies	2,381	2,151	2,381	2,305	2,381	2,305	2,381	2,381	2,305	2,381	2,305	2,378	28,035	27,327	25,535
Expenses	7,754	7,096	7,754	7,534	7,754	7,534	7,754	7,754	7,535	7,755	7,535	7,752	91,511	89,693	89,000
Utilities	2,132	1,925	2,132	2,063	2,132	2,063	2,132	2,132	2,063	2,132	2,063	2,130	25,099	23,938	22,222
Depreciation Expense	1,553	1,553	1,553	1,553	1,553	1,553	1,553	1,553	1,553	1,553	1,553	1,553	18,636	18,103	17,868
Interest & Amortization	997	997	997	997	997	997	997	997	997	997	997	997	11,964	11,485	13,092
Bad Debt Expense	4,312	3,699	4,003	3,583	3,406	2,812	3,233	3,233	3,907	2,439	2,572	3,547	40,746	41,652	46,044
Total operating expenses	49,615	45,116	48,322	46,607	48,185	45,747	47,870	47,311	47,112	46,890	46,668	47,890	567,333	555,050	560,876
Gain (Loss) From Operations	(3,725)	(1,737)	(1,329)	(750)	(1,558)	137	(1,530)	(199)	(1,230)	(925)	(1,603)	5,625	(8,829)	(8,858)	830
Other Operating Items:															
Other Post Employment Benefits	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(41,424)	(41,424)	(39,370)
Change in Derivative Instruments	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,641	3,641	3,641	3,641	3,641	43,699	(22,813)	21,912
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42,768
Third Party Retro Rate Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15,572)
Amortization of Refunding Loss	(190)	(190)	(190)	(190)	(190)	(190)	(190)	(189)	(189)	(189)	(189)	(189)	(2,275)	(2,288)	(2,317)
Total Other Operating Items	-	-	-	-	-	-	-	-	-	-	-	-	-	(66,525)	7,421
Net income (loss)	(3,725)	(1,737)	(1,329)	(750)	(1,558)	137	(1,530)	(199)	(1,230)	(925)	(1,603)	5,625	(8,829)	(75,383)	8,251

Nassau Health Care Corporation and Subsidiaries
Budgeted Cash Flow (Unrestricted)
Consolidated
For the twelve months ended 12/31/11
(In Thousands)

	2011												
	Budgeted												
	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>
Beginning Cash Balance:	\$ 8,000	\$ 2,743	\$ 3,156	\$ 45,639	\$ 45,498	\$ 48,496	\$ 30,497	\$ 29,457	\$ 28,669	\$ 29,417	\$ 32,919	\$ 20,077	\$ 8,000
Cash Receipts:													
Net patient service revenue	32,492	23,422	27,200	33,329	29,369	27,334	34,043	31,175	26,396	37,536	26,347	26,703	355,346
NYS Intergovernmental transfer	-	-	50,000	-	-	-	-	-	-	58,639	-	-	108,639
Nassau County Billings	-	11,558	3,000	-	11,558	-	-	7,705	7,705	(41,526)	-	-	-
Historical Mission Payments	3,667	417	417	3,667	417	417	3,667	417	3,666	(12,584)	416	416	5,000
Federal & State Aid	-	546	297	-	546	297	-	546	297	-	7,603	297	10,429
Practice Plan Revenue	1,420	1,420	1,420	1,420	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	17,048
Miscellaneous	819	819	819	819	819	819	819	819	820	820	820	820	9,832
Investment Income	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>264</u>
Total cash receipts	38,420	38,204	83,175	39,257	44,152	30,310	39,972	42,105	40,327	44,328	36,629	29,679	506,558
Cash Disbursements:													
Salaries	21,890	17,884	19,190	18,522	19,541	25,123	19,541	19,191	18,873	19,541	26,173	19,541	245,010
Fringe Benefits	8,655	7,870	8,370	8,109	8,481	10,419	8,339	8,130	7,938	8,152	10,530	8,053	103,046
Supplies	2,381	2,151	2,381	2,305	2,381	2,305	2,381	2,381	2,305	2,381	2,305	2,378	28,035
Expenses	6,789	6,131	6,789	6,569	6,789	6,569	6,789	6,789	6,569	6,789	6,569	6,786	79,927
Utilities	2,132	1,925	2,132	2,063	2,132	2,063	2,132	2,132	2,063	2,132	2,063	2,130	25,099
Interest Expense	997	997	997	997	997	997	997	997	997	997	997	997	11,964
Debt Service	-	-	-	-	-	-	-	2,440	-	-	-	-	2,440
Total Cash disbursements	42,844	36,958	39,859	38,565	40,321	47,476	40,179	42,060	38,745	39,992	48,637	39,885	495,521
Cash flow excess(deficit)from operations	(4,424)	1,246	43,316	692	3,831	(17,166)	(207)	45	1,582	4,336	(12,008)	(10,206)	11,037
Capital Expenditures	833	833	833	833	833	833	833	833	834	834	834	834	10,000
Cash flow excess(deficit)after cap exp	(5,257)	413	42,483	(141)	2,998	(17,999)	(1,040)	(788)	748	3,502	(12,842)	(11,040)	1,037
Ending Cash Balance:	\$ 2,743	\$ 3,156	\$ 45,639	\$ 45,498	\$ 48,496	\$ 30,497	\$ 29,457	\$ 28,669	\$ 29,417	\$ 32,919	\$ 20,077	\$ 9,037	\$ 9,037
Restricted Cash	2,890	5,780	8,670	11,560	14,450	17,340	20,230	23,120	26,010	28,900	31,790		
Total Cash	\$ 5,633	\$ 8,936	\$ 54,309	\$ 57,058	\$ 62,946	\$ 47,837	\$ 49,687	\$ 51,789	\$ 55,427	\$ 61,819	\$ 51,867	\$ 9,037	

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Nassau Health Care Corporation and Subsidiaries

Projected Revenue & Expenses

Nassau University Medical Center

Comparative

(In Thousands)

	<u>Audited FYE 12/31/2006</u>	<u>Audited FYE 12/31/2007</u>	<u>Audited * FYE 12/31/2008</u>	<u>Audited FYE 12/31/2009</u>	<u>Actual YTD 08/31/2010</u>	<u>2010 Projected SEPT</u>	<u>2010 Projected OCT</u>	<u>2010 Projected NOV</u>	<u>2010 Projected DEC</u>	<u>Projected FYE 12/31/2010</u>	<u>Budgeted FYE 12/31/2011</u>
Operating Revenues:											
Net patient service revenue	306,303	315,056	303,872	309,555	216,888	24,866	25,231	24,248	25,474	316,707	331,303
NYS Intergovernmental transfer	40,475	31,144	26,969	78,470	65,089	8,136	8,136	8,136	8,136	97,633	86,681
Nassau County Billings	27,904	32,500	40,835	41,373	-	-	-	-	-	-	-
Historical Mission Payments	(5,000)	8,256	10,192	-	-	-	-	-	-	-	-
Federal & State Aid	1,858	5,089	7,604	4,900	1,120	146	146	146	146	1,704	9,241
Practice Plan Revenue	8,780	7,243	7,500	9,490	6,044	1,146	1,146	1,146	1,146	10,628	17,048
Investment Income	2,730	3,119	1,268	252	220	10	10	10	10	260	228
Miscellaneous	6,501	6,276	7,399	9,856	4,128	740	740	740	740	7,088	9,784
Total operating revenue	389,551	408,683	405,639	453,896	293,489	35,044	35,409	34,426	35,652	434,020	454,285
Operating Expenses:											
Salaries	170,719	180,901	201,218	206,594	134,710	17,095	17,665	17,095	17,665	204,230	206,783
Fringe Benefits	52,399	64,248	67,246	71,572	49,042	5,981	6,180	5,981	6,180	73,364	78,467
Supplies	19,483	19,857	22,361	21,431	15,266	1,925	1,989	1,925	1,989	23,094	23,671
Expenses	50,850	56,703	62,051	66,918	44,902	5,804	5,997	5,804	5,997	68,504	70,217
Utilities	20,022	19,344	21,165	20,115	14,787	1,684	1,740	1,684	1,740	21,635	22,651
Depreciation Expense	14,270	14,439	15,013	16,364	11,064	1,379	1,379	1,379	1,379	16,580	17,040
Interest & Amortization	10,247	8,568	9,943	9,605	5,709	705	705	705	705	8,529	8,700
Bad Debt Expense	50,850	45,773	46,659	41,644	27,792	3,373	1,903	2,077	3,010	38,155	36,647
Total operating expenses	388,840	409,833	445,656	454,243	303,272	37,946	37,558	36,650	38,665	454,091	464,176
Gain (Loss) From Operations	711	(1,150)	(40,017)	(347)	(9,783)	(2,902)	(2,149)	(2,224)	(3,013)	(20,071)	(9,891)
Other Operating Items:											
Other Post Employment Benefits	-	(33,893)	(30,704)	(31,410)	(22,032)	(2,754)	(2,754)	(2,754)	(2,754)	(33,048)	(33,048)
Change in Derivative Instruments	3,393	(5,314)	(24,748)	16,215	(16,882)	-	-	-	-	(16,882)	34,728
Grants for Capital Asset Acquisition	-	20,773	47,583	44,963	-	-	-	-	-	-	-
Third Party Retro Rate Adjustment	-	-	10,286	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	(1,741)	(1,727)	(1,708)	(1,715)	(1,122)	(142)	(142)	(142)	(142)	(1,690)	(1,680)
Total Other Operating Items	1,652	(20,161)	709	28,053	(40,036)	(2,896)	(2,896)	(2,896)	(2,896)	(51,620)	-
Net income (loss)	2,363	(21,311)	(39,308)	27,706	(49,819)	(5,798)	(5,045)	(5,120)	(5,909)	(71,691)	(9,891)

* restated

Nassau Health Care Corporation and Subsidiaries

Budgeted Revenue & Expenses

Nassau University Medical Center

For the twelve months ended 12/31/11

(In Thousands)

331,303

	2011 Budgeted												2011	Projected FYE	Audited FYE
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	12/31/2010	12/31/2009
Operating Revenues:															
Net patient service revenue	27,542	25,407	28,496	27,580	28,200	27,574	27,927	28,612	27,579	27,518	26,856	28,012	331,303	316,707	309,555
NYS Intergovernmental transfers	7,223	7,223	7,223	7,223	7,223	7,223	7,223	7,224	7,224	7,224	7,224	7,224	86,681	97,633	78,470
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,373
Historical Mission Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal & State Aid	182	182	182	182	182	182	182	182	182	182	182	7,239	9,241	1,704	4,900
Practice Plan Revenue	1,420	1,420	1,420	1,420	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	17,048	10,628	9,490
Investment Income	19	19	19	19	19	19	19	19	19	19	19	19	228	260	252
Miscellaneous	815	815	815	815	815	815	815	815	816	816	816	816	9,784	7,088	9,856
Total operating revenue	37,201	35,066	38,155	37,239	37,860	37,234	37,587	38,273	37,241	37,180	36,518	44,731	454,285	434,020	453,896
Operating Expenses:															
Salaries	17,812	16,113	17,312	16,746	17,562	16,746	17,562	17,312	16,996	17,562	17,496	17,564	206,783	204,230	206,594
Fringe Benefits	6,925	6,280	6,735	6,517	6,800	6,431	6,662	6,501	6,313	6,486	6,421	6,396	78,467	73,364	71,572
Supplies	2,010	1,816	2,010	1,946	2,010	1,946	2,010	1,946	1,946	2,010	1,946	2,011	23,671	23,094	21,431
Expenses	5,964	5,387	5,964	5,771	5,964	5,771	5,964	5,964	5,771	5,964	5,771	5,962	70,217	68,504	66,918
Utilities	1,924	1,738	1,924	1,862	1,924	1,862	1,924	1,924	1,862	1,924	1,862	1,921	22,651	21,635	20,115
Depreciation Expense	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	17,040	16,580	16,364
Interest & Amortization	725	725	725	725	725	725	725	725	725	725	725	725	8,700	8,529	9,605
Bad Debt Expense	3,993	3,386	3,631	3,240	3,060	2,456	2,900	2,862	3,562	2,092	2,266	3,199	36,647	38,155	41,644
Total operating expenses	40,773	36,865	39,721	38,227	39,465	37,357	39,167	38,718	38,595	38,183	37,907	39,198	464,176	454,091	454,243
Gain (Loss) From Operations	(3,572)	(1,799)	(1,566)	(988)	(1,605)	(123)	(1,580)	(445)	(1,354)	(1,003)	(1,389)	5,533	(9,891)	(20,071)	(347)
Other Operating Items:															
Other Post Employment Benefit	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(33,048)	(33,048)	(31,410)
Change in Derivative Instrument	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	34,728	(16,882)	16,215
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,963
Third Party Retro Rate Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	(140)	(140)	(140)	(140)	(140)	(140)	(140)	(140)	(140)	(140)	(140)	(140)	(1,680)	(1,690)	(1,715)
Total Other Operating Items	-	-	-	-	-	-	-	-	-	-	-	-	-	(51,620)	28,053
Net income (loss)	(3,572)	(1,799)	(1,566)	(988)	(1,605)	(123)	(1,580)	(445)	(1,354)	(1,003)	(1,389)	5,533	(9,891)	(71,691)	27,706

Nassau Health Care Corporation and Subsidiaries
Key Operating Statistics
Nassau University Medical Center
For the twelve months ended 12/31/11

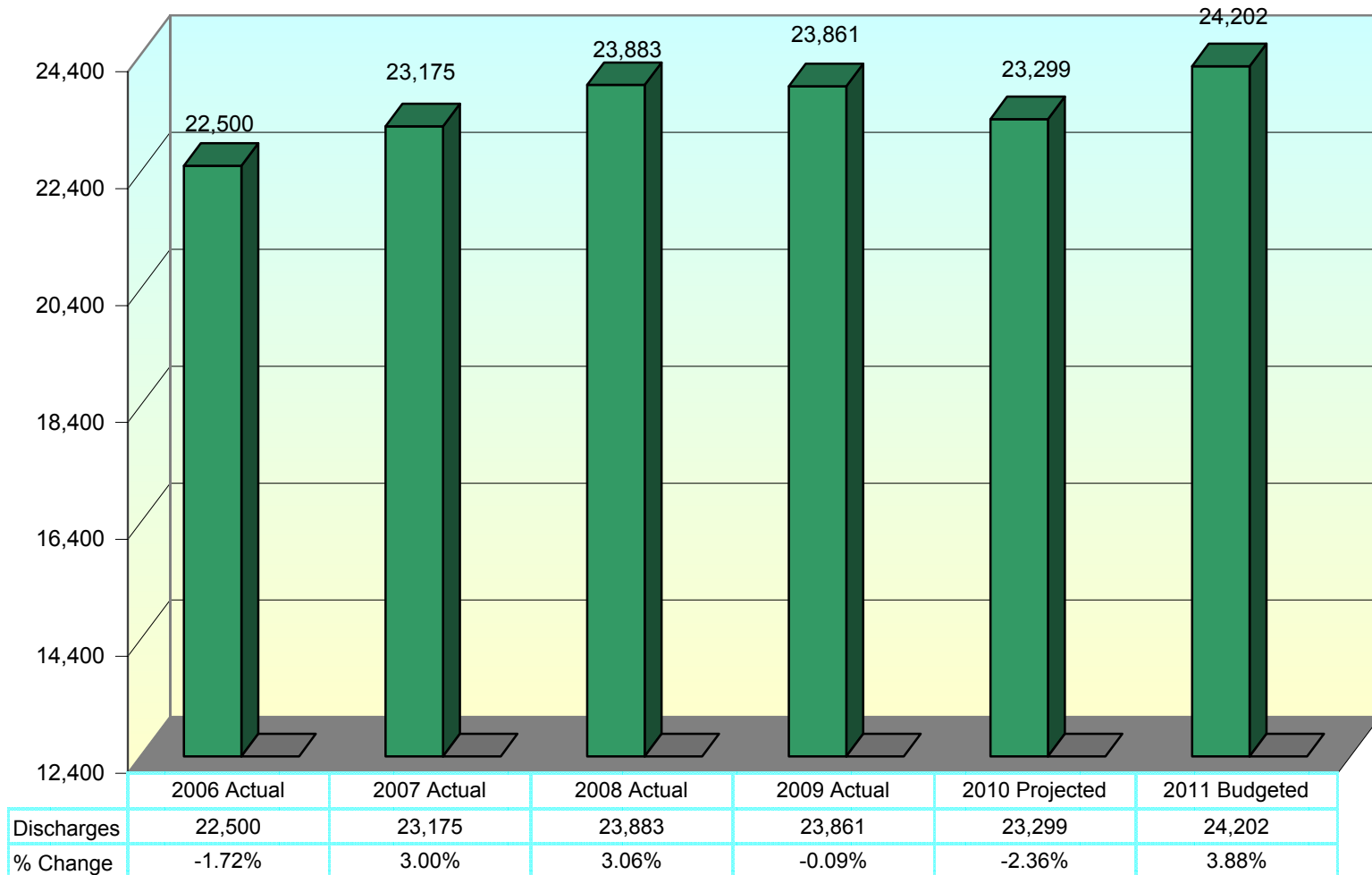
	2006 Actual	2007 Actual	2008 Actual	2009 Actual	8/2010 Actual	2010 Proj.	2011 Budgeted												TOTAL
							JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
<u>DISCHARGES:</u>																			
Adult & Peds	18,730	18,556	18,893	19,113	12,532	18,858	1,568	1,411	1,692	1,625	1,704	1,708	1,723	1,701	1,627	1,697	1,637	1,668	19,761
Psychiatry	1,555	1,990	2,168	2,064	1,264	1,932	146	134	193	173	153	182	156	127	173	180	157	158	1,932
Chemical Dependency Rehab	-	239	461	482	320	481	41	34	41	42	41	42	36	43	36	41	42	42	481
Physical Medicine & Rehab	535	602	520	433	308	441	37	30	39	38	39	39	42	44	28	40	27	38	441
Newborn	1,680	1,788	1,841	1,769	1,006	1,587	151	89	130	124	117	133	119	143	163	150	132	136	1,587
Total	22,500	23,175	23,883	23,861	15,430	23,299	1,943	1,698	2,095	2,002	2,054	2,104	2,076	2,058	2,027	2,108	1,995	2,042	24,202
<u>PATIENT DAYS:</u>																			
Adult & Peds	84,777	80,392	83,941	85,881	56,466	84,549	7,943	6,894	7,812	6,876	7,563	6,847	7,992	7,467	7,638	6,992	7,097	7,823	88,944
Psychiatry	31,065	35,470	45,839	45,515	29,996	44,872	3,864	3,492	3,871	3,704	3,935	3,780	3,752	3,598	3,674	3,869	3,646	3,687	44,872
Chemical Dependency Rehab	-	5,335	9,836	10,343	6,934	10,375	843	807	884	887	890	849	889	885	848	897	825	871	10,375
Physical Medicine & Rehab	6,589	6,864	7,323	6,132	4,167	6,098	479	437	558	620	569	468	489	547	407	516	542	466	6,098
Newborn	4,743	5,143	5,066	4,884	2,700	4,296	368	255	340	359	310	359	316	393	468	406	346	376	4,296
Total	127,174	133,204	152,005	152,755	100,263	150,190	13,497	11,885	13,465	12,446	13,267	12,303	13,438	12,890	13,035	12,680	12,456	13,223	154,585
<u>AVG LENGTH OF STAY:</u>																			
Adult & Peds	4.53	4.33	4.44	4.49	4.51	4.48	5.07	4.89	4.62	4.23	4.44	4.01	4.64	4.39	4.69	4.12	4.34	4.69	4.50
Psychiatry	19.98	17.82	21.14	22.05	23.73	23.23	26.47	26.06	20.06	21.41	25.72	20.77	24.05	28.33	21.24	21.49	23.22	23.34	23.23
Chemical Dependency Rehab	-	22.32	21.34	21.46	21.67	21.57	20.56	23.74	21.56	21.12	21.71	20.21	24.69	20.58	23.56	21.88	19.64	20.74	21.57
Physical Medicine & Rehab	12.32	11.40	14.08	14.16	13.53	13.83	12.95	14.57	14.31	16.32	14.59	12.00	11.64	12.43	14.54	12.90	20.07	12.26	13.83
Newborn	2.82	2.88	2.75	2.76	2.68	2.71	2.44	2.87	2.62	2.90	2.65	2.70	2.66	2.75	2.87	2.71	2.62	2.76	2.71
Total	5.65	5.75	6.36	6.40	6.50	6.45	6.95	7.00	6.43	6.22	6.46	5.85	6.47	6.26	6.43	6.02	6.24	6.48	6.39
<u>AVG DAILY CENSUS</u>																			
Adult & Peds	232.3	220.3	229.3	235.3	232.4	231.6	256.2	246.2	252.0	229.2	244.0	228.2	257.8	240.9	254.6	225.5	236.6	252.4	243.7
Psychiatry	85.1	97.2	125.2	124.7	123.4	122.9	124.6	124.7	124.9	123.5	126.9	126.0	121.0	116.1	122.5	124.8	121.5	118.9	122.9
Chemical Dependency Rehab	-	14.6	26.9	28.3	28.5	28.4	27.2	28.8	28.5	29.6	28.7	28.3	28.7	28.5	28.3	28.9	27.5	28.1	28.4
Physical Medicine & Rehab	18.1	18.8	20.0	16.8	17.1	16.7	15.5	15.6	18.0	20.7	18.4	15.6	15.8	17.6	13.6	16.6	18.1	15.0	16.7
Newborn	13.0	14.1	13.8	13.4	11.1	11.8	11.9	9.1	11.0	12.0	10.0	12.0	10.2	12.7	15.6	13.1	11.5	12.1	11.8
Total	348.5	365.0	415.2	418.5	412.5	411.4	435.4	424.4	434.4	415.0	428.0	410.1	433.5	415.8	434.6	408.9	415.2	426.5	423.5
<u>CASE MIX INDEX (CMI) **</u>																			
Medicare	1.31	1.38	1.33	1.32	1.35	1.35	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33
Medicaid	0.91	0.92	0.92	0.86	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91
Other	0.94	0.91	0.98	0.89	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91
Total	0.97	0.95	0.98	0.92	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95
<u>PERCENT OCCUPANCY:</u>																			
Licensed Beds	53.16%	55.60%	63.62%	76.44%	75.75%	75.42%	79.91%	78.37%	79.88%	76.02%	78.86%	75.12%	79.87%	76.06%	79.04%	74.70%	76.16%	78.19%	77.69%
Available Beds	69.74%	72.94%	83.47%	87.88%	87.09%	86.70%	91.87%	90.10%	91.84%	87.40%	90.67%	86.36%	91.82%	87.45%	90.87%	85.89%	87.56%	89.90%	89.32%

** CMI through 2009 restated to reflect impact of 2010 NYS DRG Weight Changes

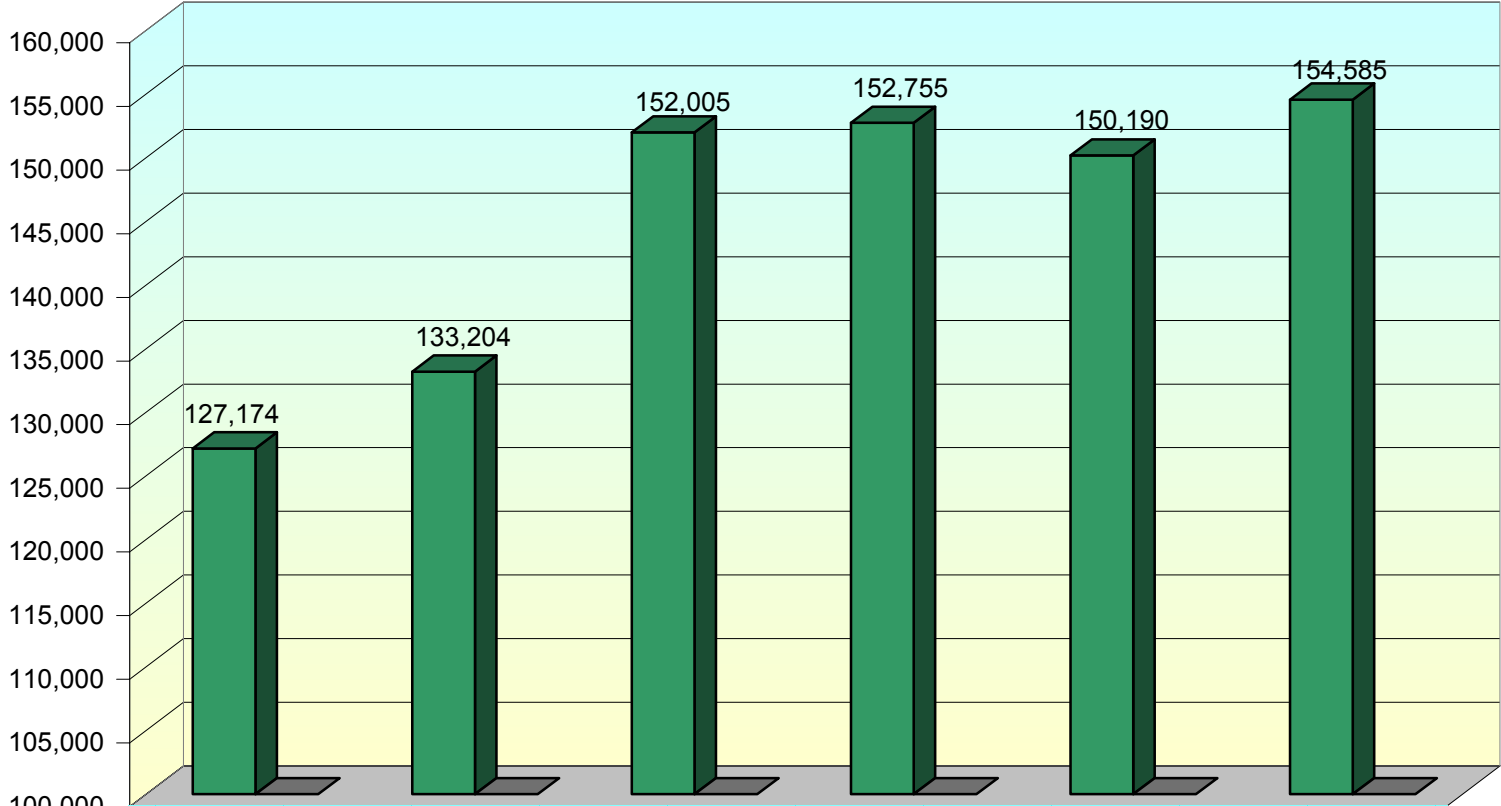
Nassau Health Care Corporation and Subsidiaries
Key Operating Statistics
Nassau University Medical Center
For the twelve months ended 12/31/11

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	8/2010 Actual	2010 Proj.	2011 Budgeted												TOTAL	
							JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC		
<u>AMBULATORY VISITS (Exc. Admits)</u>																				
General Clinic	171,672	171,819	165,201	171,102	109,635	166,294	12,790	11,631	15,425	14,983	13,131	14,235	12,973	14,467	14,533	15,235	12,799	14,092	166,294	
HIV Clinic	4,042	4,224	3,978	4,214	2,774	4,150	339	289	362	370	294	375	371	374	346	388	295	347	4,150	
Oncology Clinic	3,663	3,347	3,550	3,602	2,278	3,511	295	257	319	317	262	278	279	271	341	330	271	291	3,511	
CDC Clinic	806	701	718	782	594	869	45	66	90	88	82	87	59	77	67	77	52	79	869	
Hyperbaric Clinic	4,390	4,555	3,916	3,347	2,553	3,698	279	264	319	374	402	321	296	298	298	256	269	322	3,698	
Mental Health	7,286	6,808	7,420	8,469	7,245	10,304	390	433	806	736	1,178	1,374	1,283	1,045	819	795	748	697	10,304	
Emergency Room (Total)	73,774	74,331	75,307	76,916	49,234	73,432	6,157	5,274	6,247	5,990	6,265	6,302	6,736	6,263	6,135	6,076	6,224	5,763	73,432	
Emergency Room Admits	17,867	18,432	18,688	19,048	12,527	18,793	1,519	1,360	1,614	1,536	1,617	1,648	1,650	1,583	1,605	1,584	1,570	1,507	18,793	
Ambulatory Surgery	3,275	3,293	3,587	3,980	2,856	4,209	301	337	425	360	369	412	316	336	334	375	316	328	4,209	
Hemodialysis	12,388	14,327	14,270	14,754	11,471	16,600	1,343	1,276	1,451	1,388	1,466	1,484	1,560	1,503	1,230	1,317	1,236	1,346	16,600	
Referred Ambulatory	4,863	5,018	4,751	4,855	3,014	4,978	398	344	452	412	328	342	403	335	292	370	348	954	4,978	
<u>LABOR STATISTICS:</u>																				
Full-Time Equivalent (FTE) Total	2,666	2,752	2,972	2,936	2,936	2,942	2,973	2,973	2,973	2,973	2,973	2,973	2,973	2,973	2,973	2,973	2,973	2,973	2,973	2,973
Labor Cost Per Man Hour	49.82	53.02	53.62	56.39	55.97	56.17	58.32	58.45	56.70	56.68	57.44	56.47	57.11	56.14	56.79	56.70	58.27	56.49	57.12	
FTE's Per Adjusted Occupied Bed	5.48	5.30	5.16	5.00	5.03	5.05	4.82	4.95	4.84	5.06	4.91	5.12	4.85	5.05	4.83	5.14	5.06	4.92	4.96	
Payroll as a % of Gross Patient Revenue	72.84%	77.81%	77.90%	85.48%	84.72%	87.65%	89.82%	88.14%	84.39%	84.35%	86.39%	84.05%	86.74%	83.23%	84.52%	87.39%	89.06%	85.53%	86.10%	
% of Salary & Benefits Expense	66.01%	67.34%	67.28%	67.42%	66.70%	66.74%	67.26%	66.89%	66.63%	66.49%	66.92%	66.41%	66.79%	66.41%	66.53%	66.63%	67.11%	66.56%	66.72%	
Overtime as a % of Payroll	3.28%	4.06%	4.28%	4.16%	3.80%	4.29%	3.70%	3.69%	3.80%	3.80%	3.75%	3.82%	3.77%	3.84%	3.80%	3.80%	3.70%	3.81%	3.77%	
<u>CREDIT AND COLLECTION STATISTICS:</u>																				
Bad Debts as a % of Patient Revenue	16.60%	14.53%	13.97%	12.80%	12.81%	12.05%	14.50%	13.33%	12.74%	11.75%	10.85%	8.91%	10.38%	10.00%	12.92%	7.60%	8.44%	11.42%	11.06%	

Nassau University Medical Center - Discharges

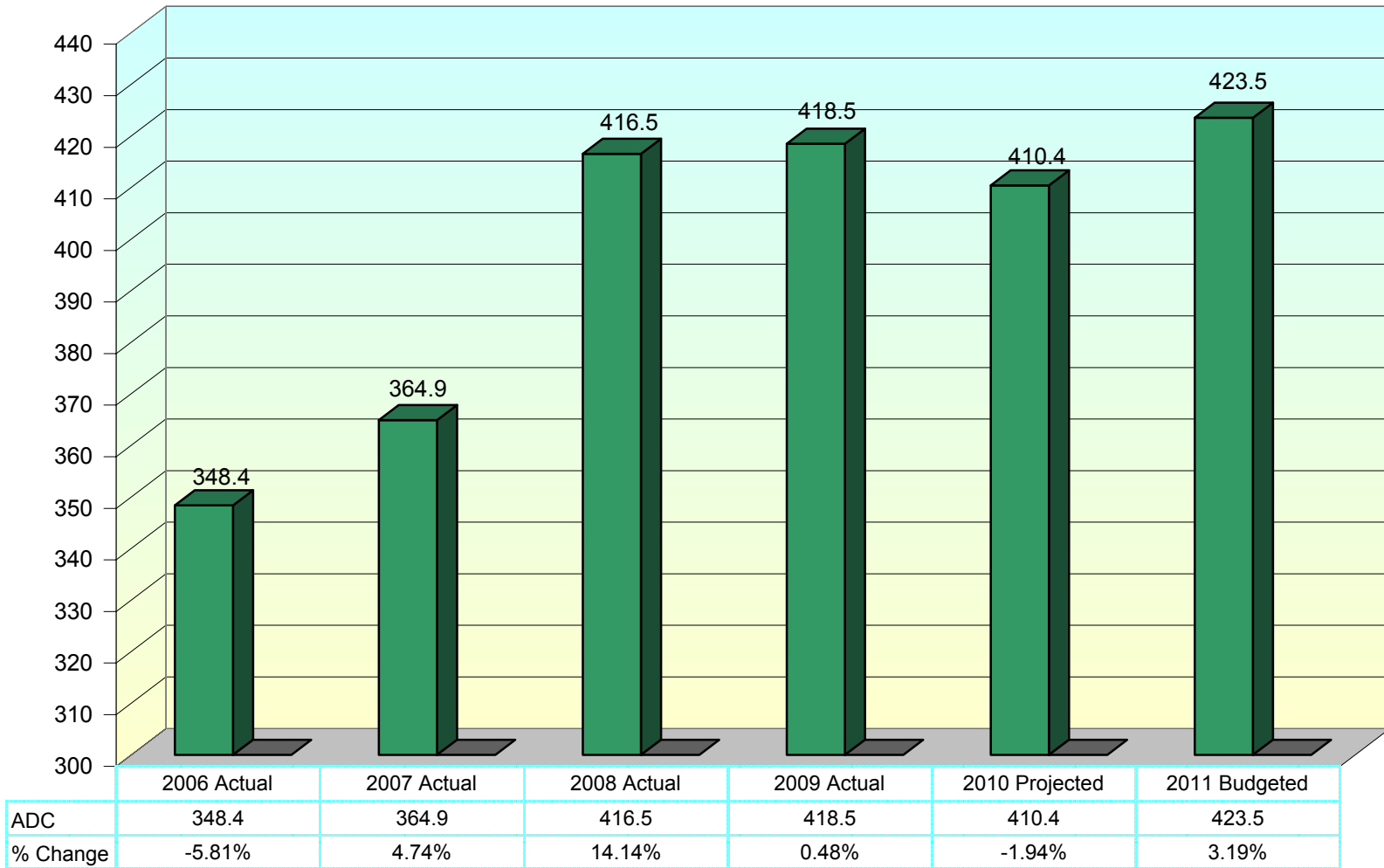


Nassau University Medical Center - Patient Days

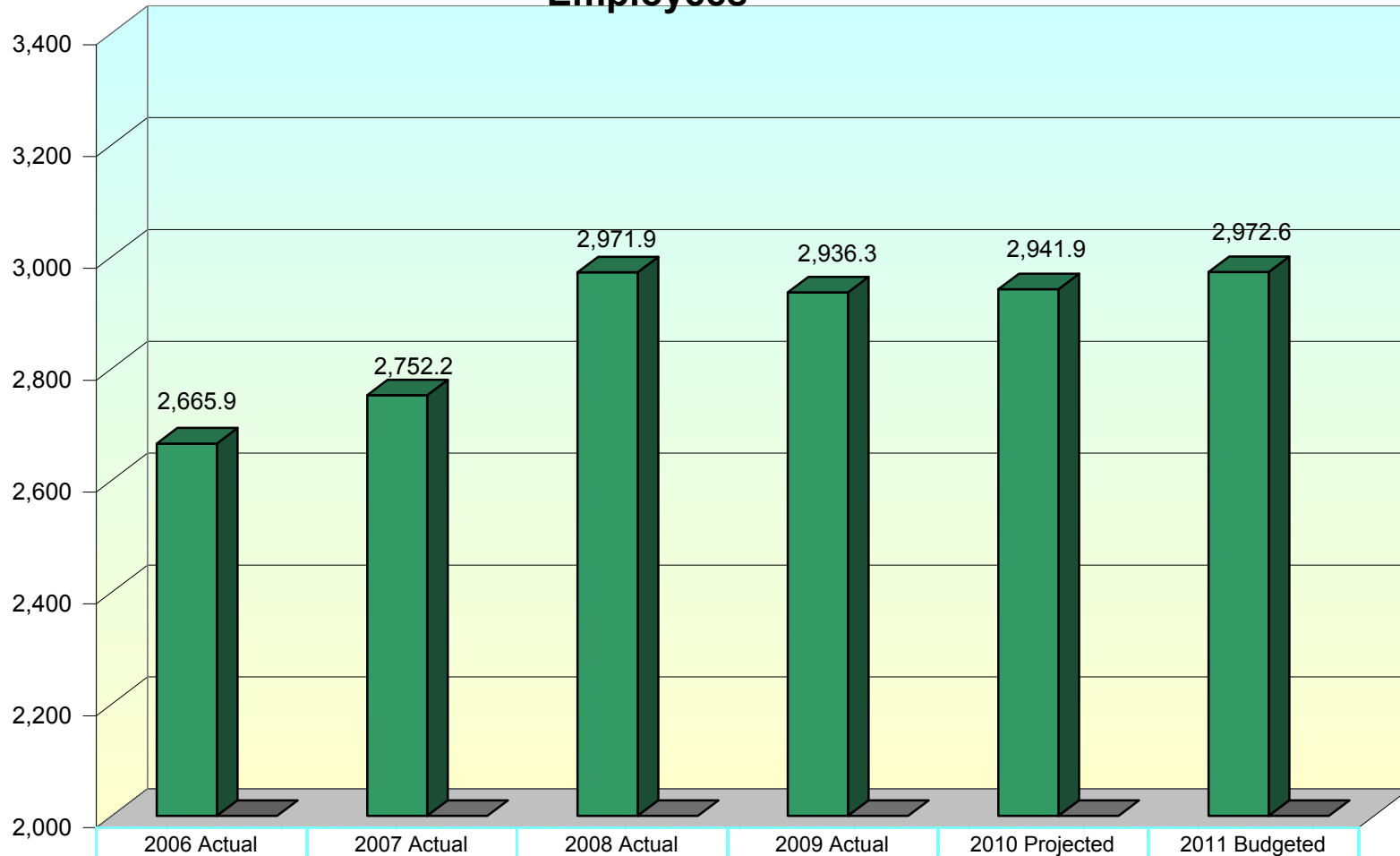


	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Projected	2011 Budgeted
Days	127,174	133,204	152,005	152,755	150,190	154,585
% Change	-5.80%	4.74%	14.11%	0.49%	-1.68%	2.93%

Nassau University Medical Center - Average Daily Census

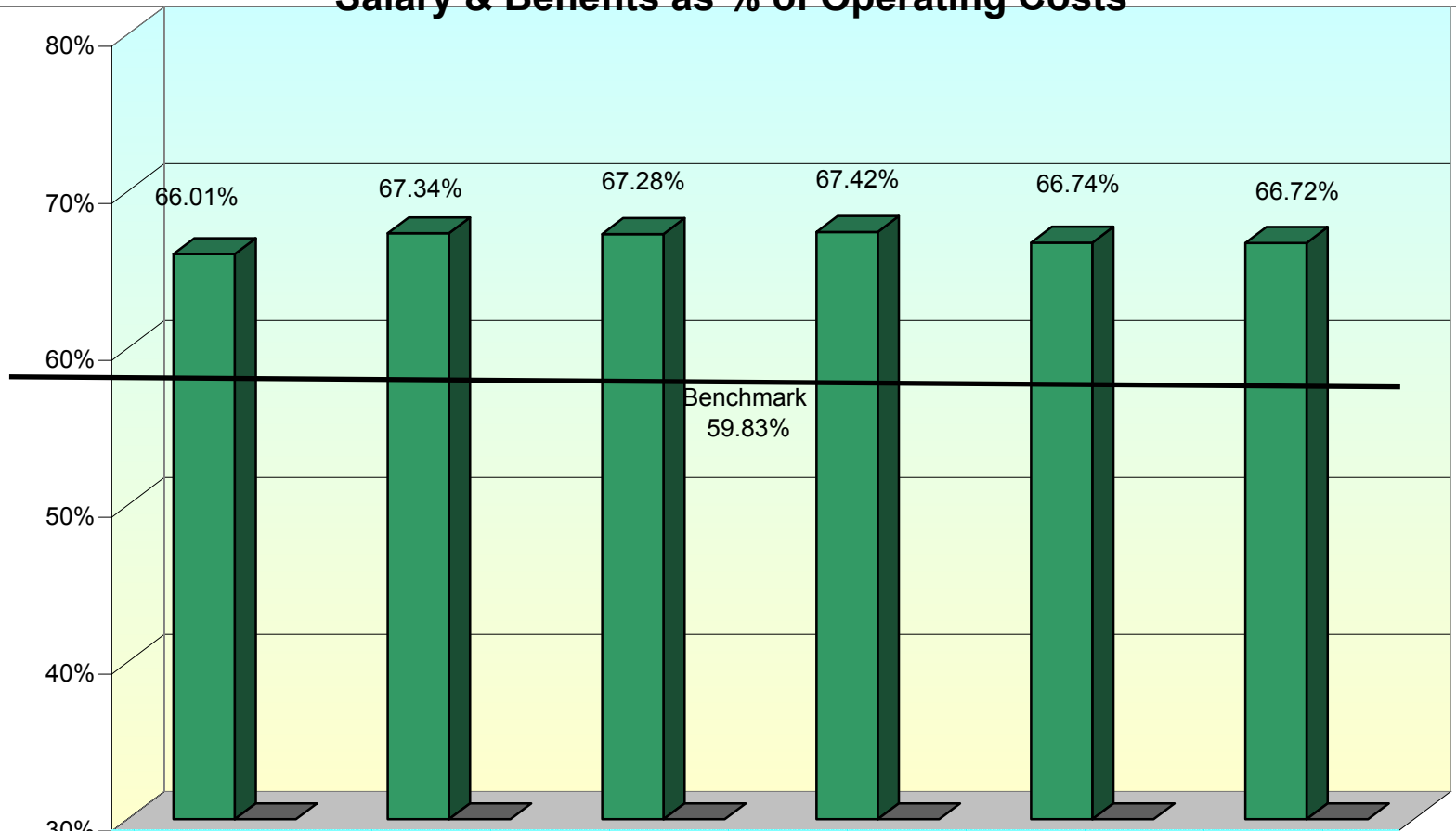


Nassau University Medical Center - Full Time Equivalent Employees



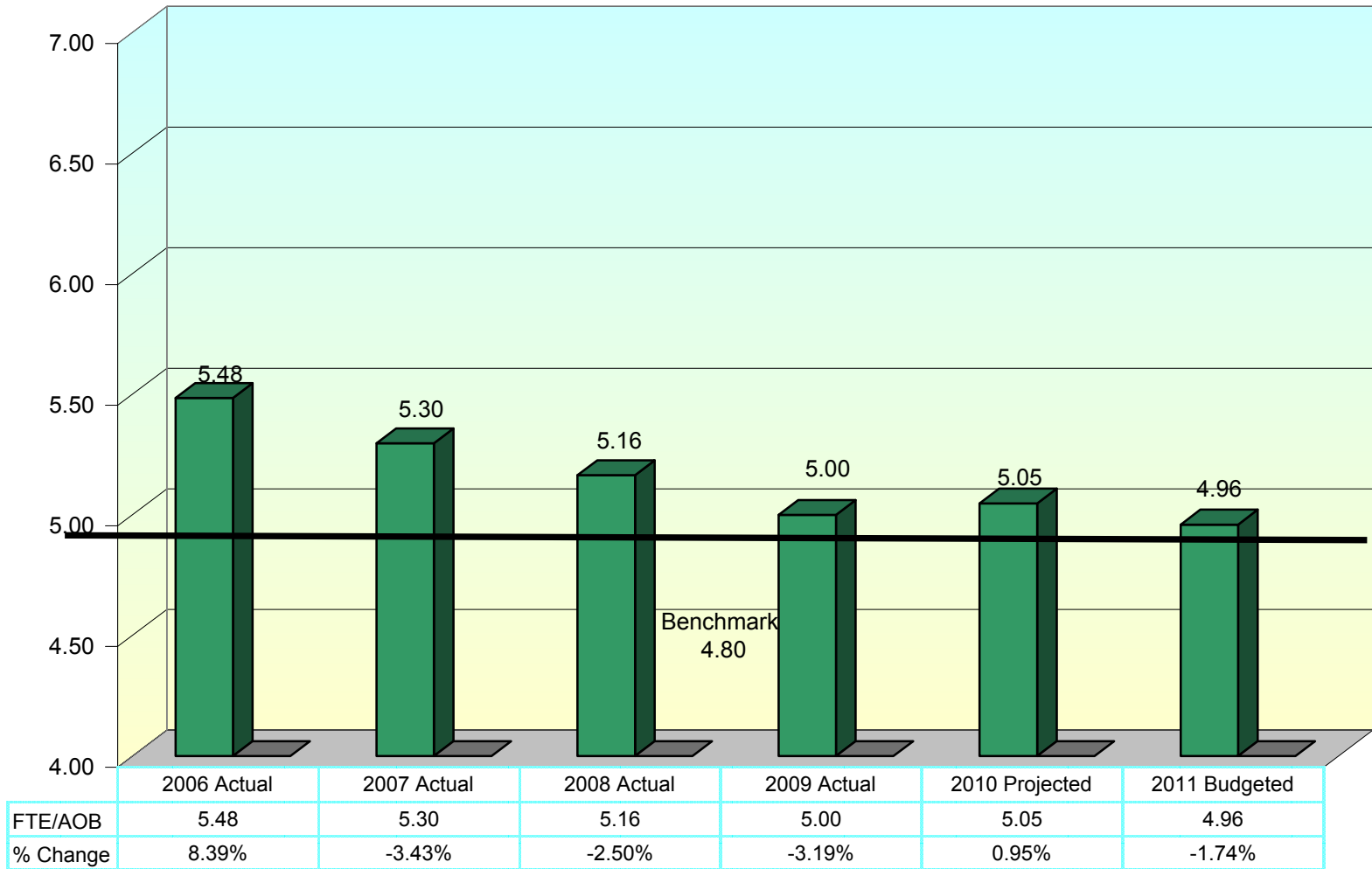
FTE's	2,665.9	2,752.2	2,971.9	2,936.3	2,941.9	2,972.6
% Change	1.59%	3.24%	7.98%	-1.20%	0.19%	1.04%

Nassau University Medical Center Salary & Benefits as % of Operating Costs

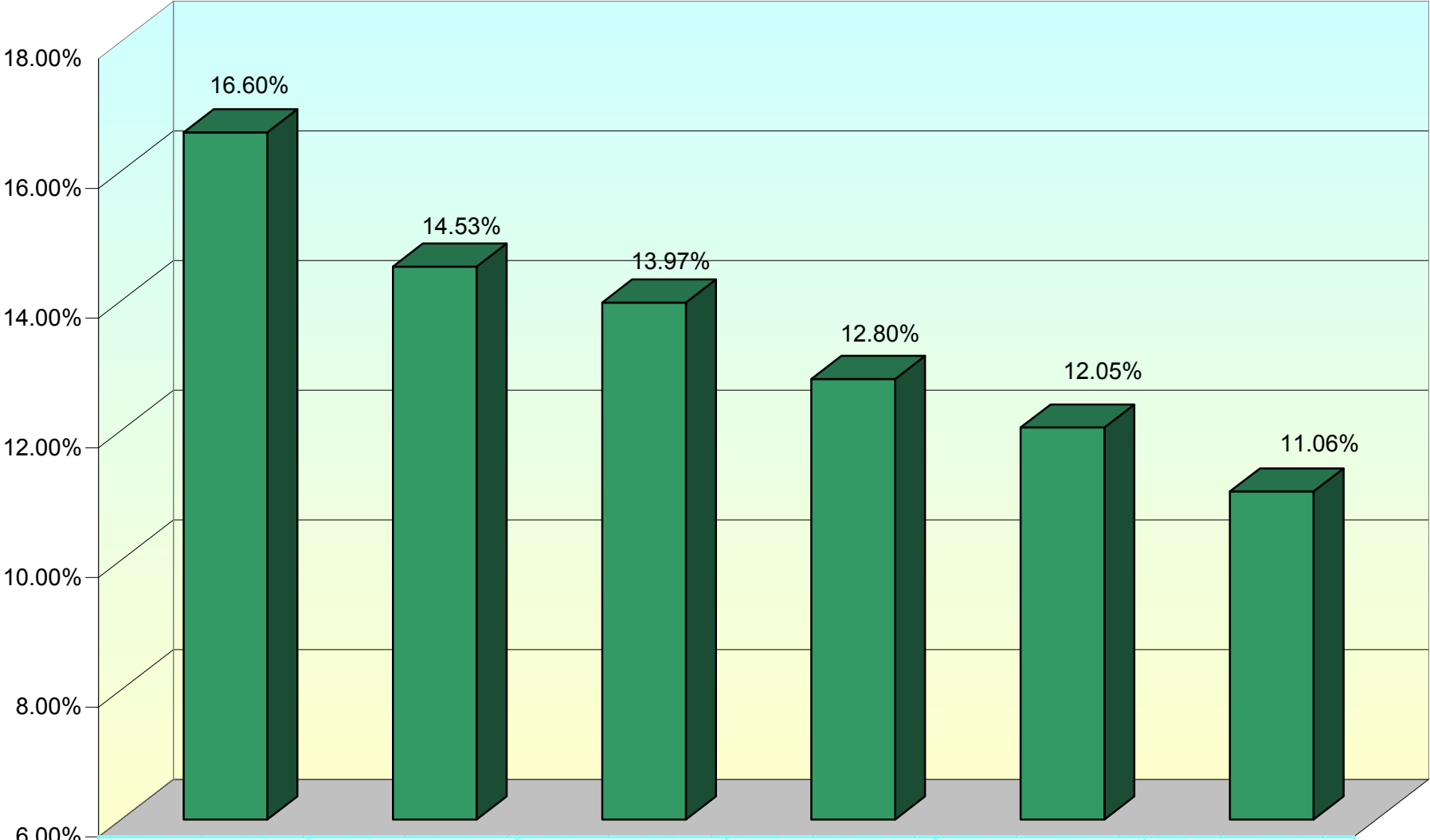


	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Projected	2011 Budgeted
Salary & Benefits	66.01%	67.34%	67.28%	67.42%	66.74%	66.72%
% Change	3.48%	2.01%	-0.08%	0.20%	-1.01%	-0.03%

Nassau University Medical Center - FTE Per Adjusted Occupied Bed

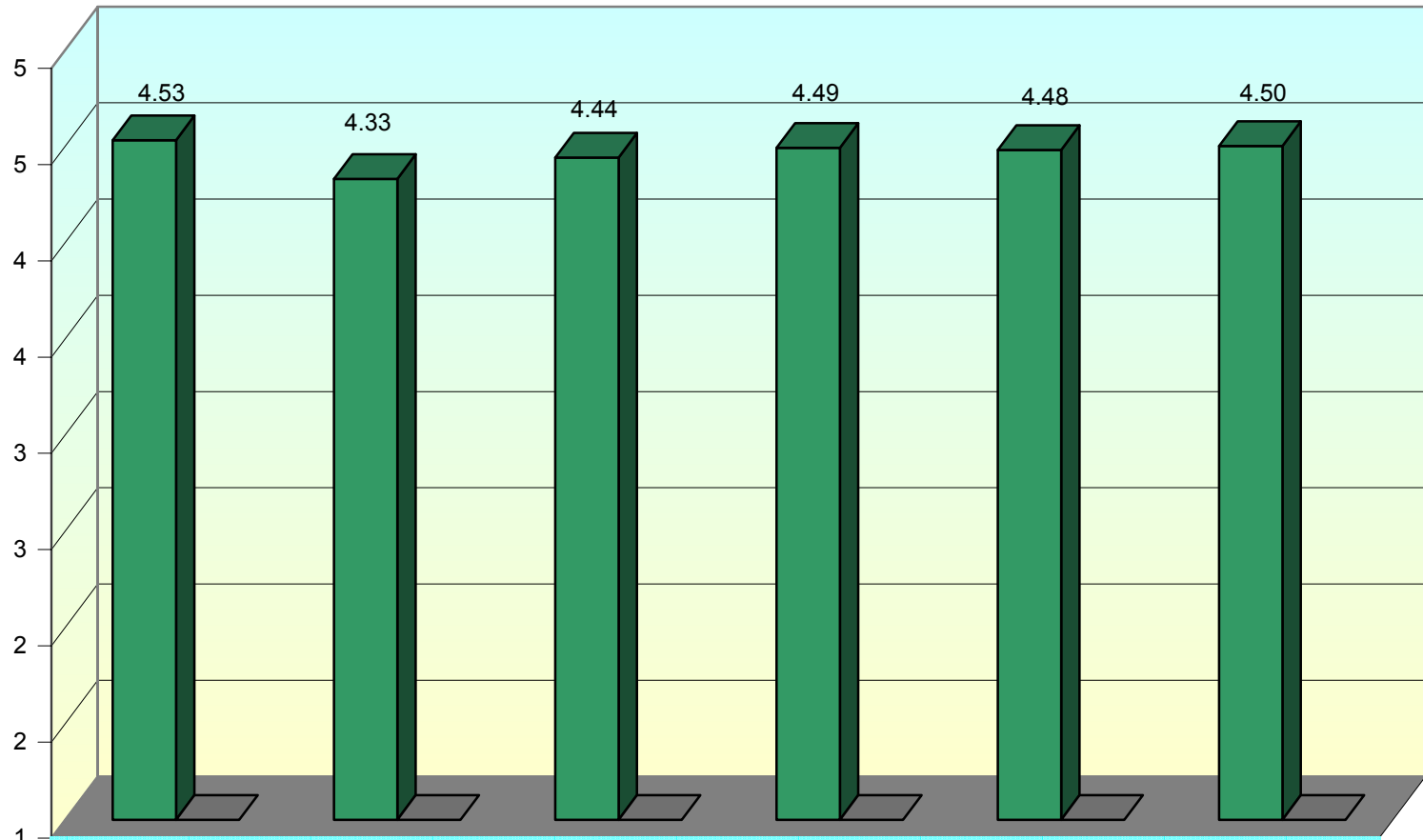


Nassau University Medical Center Bad Debt as % of Patient Revenue



B/D as % Pt. Rev.	16.60%	14.53%	13.97%	12.80%	12.05%	11.06%
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Nassau University Medical Center - Length of Stay (LOS) - Adult & Peds



	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Projected	2011 Budgeted
LOS - Adult & Peds	4.53	4.33	4.44	4.49	4.48	4.50
% Change	-4.83%	-4.42%	2.54%	1.13%	-0.22%	0.45%

Nassau Health Care Corporation and Subsidiaries

Projected Revenue & Expenses

A. Holly Patterson Extended Care Facility

Comparative

(In Thousands)

	Audited FYE 12/31/2006	Audited FYE 12/31/2007	Audited * FYE 12/31/2008	Audited FYE 12/31/2009	Actual YTD 08/31/2010	2010 Projected SEPT	2010 Projected OCT	2010 Projected NOV	2010 Projected DEC	Projected FYE 12/31/2010	Budgeted FYE 12/31/2011
Operating Revenues:											
Net patient service revenue	50,177	56,565	70,979	61,301	31,798	3,498	3,628	3,497	3,628	46,049	46,733
NYS Intergovernmental transfer	1,150	-	14,695	5,073	10,639	3,166	3,166	3,165	3,165	23,301	15,847
Nassau County Billings	576	517	548	549	-	-	-	-	-	-	-
Historical Mission Payments	2,808	2,808	2,808	-	-	-	-	-	-	-	-
Federal & State Aid	82	368	526	3,278	1,408	176	176	176	176	2,112	-
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-
Investment Income	129	126	323	70	26	2	2	2	2	34	24
Miscellaneous	28	41	64	57	31	4	4	4	4	47	48
Total operating revenue	54,950	60,425	89,943	70,328	43,902	6,846	6,976	6,844	6,975	71,543	62,652
Operating Expenses:											
Salaries	30,755	30,549	31,453	32,947	19,767	2,411	2,491	2,411	2,491	29,571	30,412
Fringe Benefits	11,532	12,676	14,360	13,948	8,443	916	946	916	946	12,167	14,050
Supplies	3,282	3,420	3,725	3,777	2,628	311	321	311	321	3,892	3,989
Expenses	5,185	4,701	5,784	7,102	4,815	547	565	547	565	7,039	7,215
Utilities	1,658	1,937	2,033	1,877	1,532	116	120	116	120	2,004	2,118
Depreciation Expense	1,239	1,228	1,383	1,432	972	116	116	116	116	1,436	1,500
Interest & Amortization	2,696	2,629	3,304	3,085	1,832	194	194	194	194	2,608	2,904
Bad Debt Expense	710	2,340	1,316	1,490	546	67	70	67	70	820	820
Total operating expenses	57,057	59,480	63,358	65,658	40,535	4,678	4,823	4,678	4,823	59,537	63,008
Gain (Loss) From Operations	(2,107)	945	26,585	4,670	3,367	2,168	2,153	2,166	2,152	12,006	(356)
Other Operating Items:											
Other Post Employment Benefits	-	(7,260)	(6,406)	(6,728)	(4,720)	(590)	(590)	(590)	(590)	(7,080)	(7,080)
Change in Derivative Instruments	-	(1,652)	(7,869)	5,040	(5,247)	-	-	-	-	(5,247)	7,603
Grants for Capital Asset Acquisitor	-	-	24,305	(2,195)	-	-	-	-	-	-	-
Third Party Retro Rate Adjustment	-	-	-	(15,572)	-	-	-	-	-	-	-
Amortization of Refunding Loss	(541)	(537)	(531)	(532)	(351)	(44)	(44)	(44)	(44)	(527)	(523)
Total Other Operating Items	(541)	(9,449)	9,499	(19,987)	(10,318)	(634)	(634)	(634)	(634)	(12,854)	-
Net income (loss)	(2,648)	(8,504)	36,084	(15,317)	(6,951)	1,534	1,519	1,532	1,518	(848)	(356)

* Restated

Nassau Health Care Corporation and Subsidiaries

Budgeted Revenue & Expenses

A. Holly Patterson Extended Care Facility

For the twelve months ended 12/31/11

(In Thousands)

	2011 Budgeted												2011	Projected	Audited
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	FYE 12/31/2010	FYE 12/31/2009
Operating Revenues:															
Net patient service revenue	3,955	3,579	3,976	3,821	3,970	3,820	3,989	3,981	3,839	3,982	3,839	3,982	46,733	46,049	61,301
NYS Intergovernmental transfer	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	15,847	23,301	5,073
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	549
Historical Mission Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal & State Aid	-	-	-	-	-	-	-	-	-	-	-	-	-	2,112	3,278
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	2	2	2	2	2	2	2	2	2	2	2	2	24	34	70
Miscellaneous	4	4	4	4	4	4	4	4	4	4	4	4	48	47	57
Total operating revenue	5,282	4,906	5,303	5,148	5,297	5,147	5,316	5,308	5,166	5,309	5,166	5,309	62,652	71,543	70,328
Operating Expenses:															
Salaries	2,683	2,433	2,483	2,400	2,583	2,400	2,583	2,483	2,500	2,583	2,700	2,581	30,412	29,571	32,947
Fringe Benefits	1,243	1,127	1,150	1,112	1,196	1,112	1,193	1,146	1,153	1,190	1,242	1,186	14,050	12,167	13,948
Supplies	339	306	339	328	339	328	339	339	328	339	328	337	3,989	3,892	3,777
Expenses	613	553	613	593	613	593	613	613	593	613	593	612	7,215	7,039	7,102
Utilities	180	162	180	174	180	174	180	180	174	180	174	180	2,118	2,004	1,877
Depreciation Expense	125	125	125	125	125	125	125	125	125	125	125	125	1,500	1,436	1,432
Interest & Amortization	242	242	242	242	242	242	242	242	242	242	242	242	2,904	2,608	3,085
Bad Debt Expense	69	63	70	67	70	67	71	70	67	69	67	70	820	820	1,490
Total operating expenses	5,494	5,011	5,202	5,041	5,348	5,041	5,346	5,198	5,182	5,341	5,471	5,333	63,008	59,537	65,658
Gain (Loss) From Operations	(212)	(105)	101	107	(51)	106	(30)	110	(16)	(32)	(305)	(24)	(356)	12,006	4,670
Other Operating Items:															
Other Post Employment Benefits	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(7,080)	(7,080)	(6,728)
Change in Derivative Instruments	634	634	634	634	634	634	634	633	633	633	633	633	7,603	(5,247)	5,040
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,195)
Third Party Retro Rate Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15,572)
Amortization of Refunding Loss	(44)	(44)	(44)	(44)	(44)	(44)	(44)	(43)	(43)	(43)	(43)	(43)	(523)	(527)	(532)
Total Other Operating Items	-	-	-	-	-	-	-	-	-	-	-	-	-	(12,854)	(19,987)
Net income (loss)	(212)	(105)	101	107	(51)	106	(30)	110	(16)	(32)	(305)	(24)	(356)	(848)	(15,317)

Nassau Health Care Corporation and Subsidiaries

Key Operating Statistics

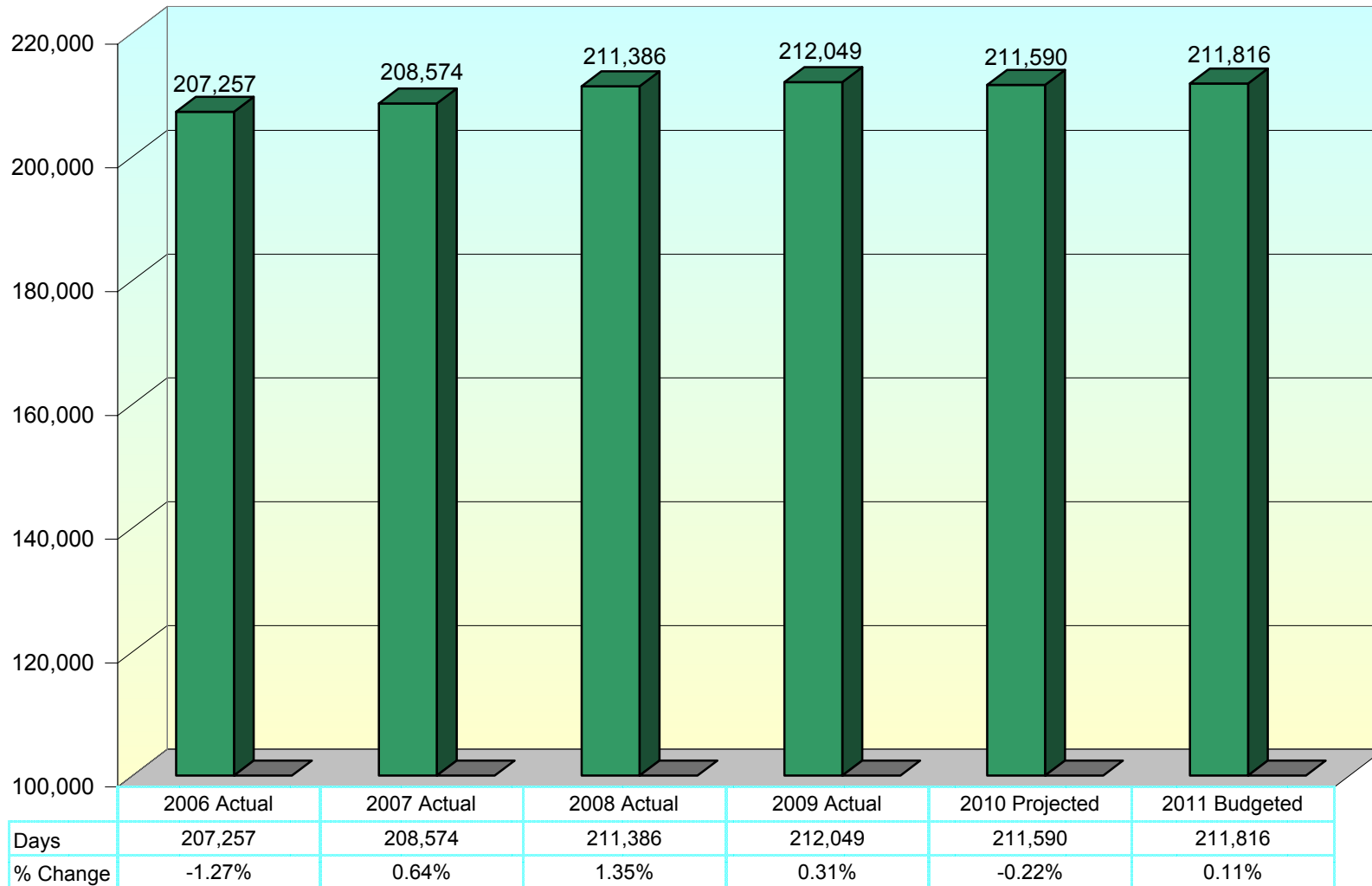
A. Holly Patterson Extended Care Facility

For the twelve months ended 12/31/11

(In Thousands)

	2006	2007	2008	2009	8/2010	2010	2011												TOTAL
							Budgeted												
	Actual	Actual	Actual	Actual	Actual	Proj.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
<u>PATIENT DAYS:</u>																			
Geriatrics	195,100	196,170	197,370	197,457	131,084	197,060	16,487	15,095	16,711	16,177	16,720	16,226	16,914	16,794	16,252	16,794	16,252	16,794	197,216
HIV	7,300	7,300	7,320	7,292	4,831	7,271	620	560	620	600	620	600	620	620	600	620	600	620	7,300
Ventilator	4,857	5,104	6,696	7,300	4,819	7,259	620	560	620	600	620	600	620	620	600	620	600	620	7,300
Total	207,257	208,574	211,386	212,049	140,734	211,590	17,727	16,215	17,951	17,377	17,960	17,426	18,154	18,034	17,452	18,034	17,452	18,034	211,816
<u>Average Daily Census</u>																			
Geriatrics	534.5	537.5	539.3	541.0	539.4	539.9	531.8	539.1	539.1	539.2	539.4	540.9	545.6	541.7	541.7	541.7	541.7	541.7	540.3
HIV	20.0	20.0	20.0	20.0	19.9	19.9	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Ventilator	13.3	14.0	18.3	20.0	19.8	19.9	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Total	567.8	571.5	577.6	581.0	579.1	579.7	571.8	579.1	579.1	579.2	579.4	580.9	585.6	581.7	581.7	581.7	581.7	581.7	580.3
<u>PERCENT OCCUPANCY:</u>																			
Geriatrics	97.4%	97.9%	98.2%	98.5%	98.3%	98.3%	96.9%	98.2%	98.2%	98.2%	98.2%	98.5%	99.4%	98.7%	98.7%	98.7%	98.7%	98.7%	98.4%
HIV	100.0%	100.0%	100.0%	99.9%	99.4%	99.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Ventilator	66.5%	69.9%	91.5%	100.0%	99.2%	99.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total	96.4%	97.0%	98.1%	98.6%	98.3%	98.4%	97.1%	98.3%	98.3%	98.3%	98.4%	98.6%	99.4%	98.8%	98.8%	98.8%	98.8%	98.8%	98.5%
<u>LABOR STATISTICS:</u>																			
Full-Time Equivalent (FTE) Total	606.8	607.1	600.4	594.8	595.7	596.3	597.8	597.8	597.8	597.8	597.8	597.8	597.8	597.8	597.8	597.8	597.8	597.8	597.8
Labor Cost Per Man Hour	38.15	38.97	41.77	43.15	39.09	38.46	42.32	42.49	39.17	39.12	40.74	39.12	40.71	39.12	40.69	40.67	43.91	40.61	40.71
FTE's Per Occupied Bed	1.07	1.06	1.04	1.02	1.03	1.03	1.05	1.03	1.03	1.03	1.03	1.03	1.02	1.03	1.03	1.03	1.03	1.03	1.03
Payroll as a % of Patient Revenue	84.28%	76.42%	64.54%	76.50%	88.72%	90.64%	99.27%	99.47%	91.37%	91.91%	95.19%	91.94%	94.66%	91.16%	95.15%	94.75%	102.68%	94.60%	95.14%
Overtime as a % of Payroll	2.78%	3.03%	4.28%	2.95%	3.39%	3.94%	3.27%	3.26%	3.54%	3.54%	3.40%	3.54%	3.40%	3.54%	3.40%	3.41%	3.16%	3.41%	3.40%
<u>CREDIT AND COLLECTION STATISTICS:</u>																			
Bad Debts as a % of Patient Revenue	1.41%	4.14%	1.85%	2.43%	1.72%	1.78%	1.74%	1.76%	1.76%	1.75%	1.76%	1.75%	1.78%	1.76%	1.75%	1.73%	1.75%	1.76%	1.75%

A. Holly Patterson Extended Care Facility - Resident days



Nassau Health Care Corporation and Subsidiaries

Projected Revenue & Expenses

Community Health Centers

Comparative

(In Thousands)

	Audited FYE 12/31/2006	Audited FYE 12/31/2007	Audited FYE 12/31/2008	Audited FYE 12/31/2009	Actual YTD 08/31/2010	2010 Projected SEPT	2010 Projected OCT	2010 Projected NOV	2010 Projected DEC	Projected FYE 12/31/2010	Budgeted FYE 12/31/2011
Operating Revenues:											
Net patient service revenue	8,826	8,224	7,868	8,705	5,994	1,080	1,051	988	1,111	10,224	11,039
NYS Intergovernmental transfer	-	-	-	-	-	-	-	-	-	-	-
Nassau County Billings	-	51	-	-	-	-	-	-	-	-	-
Historical Mission Payments	5,000	5,000	5,000	5,000	3,336	416	416	416	416	5,000	5,000
Federal & State Aid	1,620	2,992	1,521	1,839	912	72	72	72	72	1,200	1,188
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-
Investment Income	82	88	42	10	11	1	-	1	-	13	12
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Total operating revenue	15,528	16,355	14,431	15,554	10,253	1,569	1,539	1,477	1,599	16,437	17,239
Operating Expenses:											
Salaries	8,830	9,795	9,735	9,534	5,459	669	691	669	691	8,179	6,970
Fringe Benefits	2,903	3,124	3,240	3,244	2,331	285	295	285	295	3,491	2,780
Supplies	336	460	421	327	215	31	32	31	32	341	375
Expenses	2,013	2,351	2,873	2,805	1,683	224	231	224	231	2,593	2,495
Utilities	254	151	195	230	205	23	24	23	24	299	331
Depreciation Expense	40	45	55	72	55	8	8	8	8	87	96
Interest & Amortization	328	343	431	402	232	29	29	29	29	348	360
Bad Debt Expense	2,376	2,511	2,925	2,910	1,801	227	217	195	237	2,677	3,279
Total operating expenses	17,080	18,780	19,875	19,524	11,981	1,496	1,527	1,464	1,547	18,015	16,686
Gain (Loss) From Operations	(1,552)	(2,425)	(5,444)	(3,970)	(1,728)	73	12	13	52	(1,578)	553
Other Operating Items:											
Other Post Employment Benefits	-	(1,329)	(1,275)	(1,232)	(864)	(108)	(108)	(108)	(108)	(1,296)	(1,296)
Change in Derivative Instruments	105	(215)	(999)	657	(684)	-	-	-	-	(684)	1,368
Grants for Capital Asset Acquisitor	-	-	-	-	-	-	-	-	-	-	-
Third Party Retro Rate Adjustment	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	(71)	(70)	(69)	(70)	(47)	(6)	(6)	(6)	(6)	(71)	(72)
Total Other Operating Items	34	(1,614)	(2,343)	(645)	(1,595)	(114)	(114)	(114)	(114)	(2,051)	-
Net income (loss)	(1,518)	(4,039)	(7,787)	(4,615)	(3,323)	(41)	(102)	(101)	(62)	(3,629)	553

Nassau Health Care Corporation and Subsidiaries
Budgeted Revenue & Expenses
Community Health Centers
For the twelve months ended 12/31/11
(In Thousands)

	2011												2011	Projected	Audited
	Budgeted														
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	12/31/2010	12/31/2009	
Operating Revenues:															
Net patient service revenue	863	863	991	926	926	959	893	987	931	932	837	931	11,039	10,224	8,705
NYS Intergovernmental transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Historical Mission Payments	417	417	417	417	417	417	417	417	416	416	416	416	5,000	5,000	5,000
Federal & State Aid	99	99	99	99	99	99	99	99	99	99	99	99	1,188	1,200	1,839
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	1	1	1	1	1	1	1	1	1	1	1	1	12	13	10
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating revenue	1,380	1,380	1,508	1,443	1,443	1,476	1,410	1,504	1,447	1,448	1,353	1,447	17,239	16,437	15,554
Operating Expenses:															
Salaries	592	535	592	573	592	573	592	592	573	592	573	591	6,970	8,179	9,534
Fringe Benefits	241	217	240	234	239	231	238	237	227	230	221	225	2,780	3,491	3,244
Supplies	32	29	32	31	32	31	32	32	31	32	31	30	375	341	327
Expenses	212	191	212	205	212	205	212	212	205	212	205	212	2,495	2,593	2,805
Utilities	28	25	28	27	28	27	28	28	27	28	27	29	331	299	230
Depreciation Expense	8	8	8	8	8	8	8	8	8	8	8	8	96	87	72
Interest & Amortization	30	30	30	30	30	30	30	30	30	30	30	30	360	348	402
Bad Debt Expense	250	250	302	276	276	289	262	301	278	278	239	278	3,279	2,677	2,910
Total operating expenses	1,393	1,285	1,444	1,384	1,417	1,394	1,402	1,440	1,379	1,410	1,334	1,403	16,686	18,015	19,524
Gain (Loss) From Operations	(13)	95	64	59	26	82	8	64	68	38	19	44	553	(1,578)	(3,970)
Other Operating Items:															
Other Post Employment Benefits	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(1,296)	(1,296)	(1,232)
Change in Derivative Instruments	114	114	114	114	114	114	114	114	114	114	114	114	1,368	(684)	657
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Retro Rate Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(72)	(71)	(70)
Total Other Operating Items	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,051)	(645)
Net income (loss)	(13)	95	64	59	26	82	8	64	68	38	19	44	553	(3,629)	(4,615)

Nassau Health Care Corporation and Subsidiaries
Key Operating Statistics
Community Health Centers
For the twelve months ended 12/31/11

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	8/2010 Actual	2010 Proj.	2011 Budgeted												TOTAL
							JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
AMBULATORY VISITS																			
Elmont	8,924	8,899	10,176	9,892	6,474	9,642	748	748	905	827	827	866	787	905	827	827	708	825	9,800
Freeport	15,704	16,768	20,746	26,740	15,120	22,360	1,702	1,702	2,060	1,881	1,881	1,970	1,791	2,060	1,881	1,881	1,612	1,879	22,300
Hempstead	18,228	17,919	22,059	18,636	12,982	19,200	1,465	1,465	1,773	1,619	1,619	1,696	1,542	1,773	1,619	1,619	1,388	1,622	19,200
Inwood	2,473	2,678	1,589	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long Beach	630	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Cassel	18,388	21,632	23,184	22,463	13,626	20,223	1,549	1,549	1,875	1,712	1,712	1,794	1,631	1,875	1,712	1,712	1,467	1,712	20,300
Roosevelt	1,068	1,231	1,143	757	292	648	42	42	63	44	46	55	26	26	86	97	86	87	700
Topic House	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	65,415	69,128	78,897	78,488	48,494	72,073	5,506	5,506	6,676	6,083	6,085	6,381	5,777	6,639	6,125	6,136	5,261	6,125	72,300
LABOR STATISTICS:																			
Full-Time Equivalent (FTE) Total	94.9	107.4	114.9	112.4	107.4	107.4	103.2	103.2	103.2	103.2	103.2	103.2	103.2	103.2	103.2	103.2	103.2	103.2	103.2
Labor Cost Per Man Hour	67.40	65.60	61.58	62.01	59.86	59.72	52.01	51.99	51.95	52.07	51.89	51.88	51.83	51.76	51.62	51.33	51.23	50.95	51.71
Payroll as a % of Patient Revenue	132.94%	157.09%	164.91%	146.79%	129.96%	114.14%	96.52%	87.14%	83.96%	87.15%	89.74%	83.84%	92.95%	83.99%	85.93%	88.20%	94.86%	87.65%	88.32%
Overtime as a % of Payroll	0.83%	1.23%	1.36%	0.61%	0.56%	0.41%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%
CREDIT AND COLLECTION STATISTICS:																			
Bad Debts as a % of Patient Revenue	26.92%	30.53%	37.18%	33.43%	30.05%	26.18%	28.97%	28.97%	30.47%	29.81%	29.81%	30.14%	29.34%	30.50%	29.86%	29.83%	28.55%	29.86%	29.70%

Nassau Health Care Corporation and Subsidiaries

Projected Revenue & Expenses

Physician Faculty Practice Plan

Comparative

(In Thousands)

	<u>Audited FYE 12/31/2006</u>	<u>Audited FYE 12/31/2007</u>	<u>Audited FYE 12/31/2008</u>	<u>Audited FYE 12/31/2009</u>	<u>Actual YTD 08/31/2010</u>	<u>2010 Projected SEPT</u>	<u>2010 Projected OCT</u>	<u>2010 Projected NOV</u>	<u>2010 Projected DEC</u>	<u>Projected FYE 12/31/2010</u>	<u>Budgeted FYE 12/31/2011</u>
Operating Revenues:											
Net patient service revenue	18,188	17,468	19,143	21,275	15,243	2,321	2,321	2,321	2,321	24,527	31,004
NYS Intergovernmental transfer										-	-
Nassau County Billings										-	-
Historical Mission Payments										-	-
Federal & State Aid										-	-
Practice Plan Revenue	(8,115)	(7,243)	(7,500)	(9,490)	(6,044)	(1,146)	(1,146)	(1,146)	(1,146)	(10,628)	(17,048)
Investment Income	135	150	135	115	72	9	9	9	9	108	108
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Total operating revenue	<u>10,208</u>	<u>10,375</u>	<u>11,778</u>	<u>11,900</u>	<u>9,271</u>	<u>1,184</u>	<u>1,184</u>	<u>1,184</u>	<u>1,184</u>	<u>14,007</u>	<u>14,064</u>
Operating Expenses:											
Salaries	7,995	7,854	8,998	8,926	7,130	911	911	911	911	10,774	10,800
Fringe Benefits	261	294	303	350	712	91	91	91	91	1,076	1,080
Supplies										-	-
Expenses	1,952	2,227	2,477	2,624	1,429	182	182	182	182	2,157	2,184
Utilities										-	-
Depreciation Expense										-	-
Interest & Amortization										-	-
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-
Total operating expenses	<u>10,208</u>	<u>10,375</u>	<u>11,778</u>	<u>11,900</u>	<u>9,271</u>	<u>1,184</u>	<u>1,184</u>	<u>1,184</u>	<u>1,184</u>	<u>14,007</u>	<u>14,064</u>
Gain (Loss) From Operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Operating Items:											
Other Post Employment Benefits	-	-	-	-	-	-	-	-	-	-	-
Change in Derivative Instruments	-	-	-	-	-	-	-	-	-	-	-
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-
Third Party Retro Rate Adjustment	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	-	-	-	-	-	-	-	-	-	-	-
Total Other Operating Items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Nassau Health Care Corporation and Subsidiaries

Budgeted Revenue & Expenses

Physician Faculty Practice Plan

For the twelve months ended 12/31/11

(In Thousands)

	2011 Budgeted												2011	Projected FYE	Audited FYE
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	12/31/2010	12/31/2009
Operating Revenues:															
Net patient service revenue	2,583	2,583	2,583	2,583	2,584	2,584	2,584	2,584	2,584	2,584	2,584	2,584	31,004	24,527	21,275
NYS Intergovernmental transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Historical Mission Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal & State Aid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Plan Revenue	(1,420)	(1,420)	(1,420)	(1,420)	(1,421)	(1,421)	(1,421)	(1,421)	(1,421)	(1,421)	(1,421)	(1,421)	(17,048)	(10,628)	(9,490)
Investment Income	9	9	9	9	9	9	9	9	9	9	9	9	108	108	115
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating revenue	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	14,064	14,007	11,900
Operating Expenses:															
Salaries	900	900	900	900	900	900	900	900	900	900	900	900	10,800	10,774	8,926
Fringe Benefits	90	90	90	90	90	90	90	90	90	90	90	90	1,080	1,076	350
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses	182	182	182	182	182	182	182	182	182	182	182	182	2,184	2,157	2,624
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating expenses	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	1,172	14,064	14,007	11,900
Gain (Loss) From Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating Items:															
Other Post Employment Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Derivative Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Retro Rate Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Operating Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Nassau Health Care Corporation and Subsidiaries

Projected Revenue & Expenses

Nassau Health Care Corp, LTD.

Comparative

(In Thousands)

	<u>Audited FYE 12/31/2006</u>	<u>Audited FYE 12/31/2007</u>	<u>Audited FYE 12/31/2008</u>	<u>Audited FYE 12/31/2009</u>	<u>Actual YTD 08/31/2010</u>	<u>2010 Projected SEPT</u>	<u>2010 Projected OCT</u>	<u>2010 Projected NOV</u>	<u>2010 Projected DEC</u>	<u>Projected FYE 12/31/2010</u>	<u>Budgeted FYE 12/31/2011</u>
Operating Revenues:											
Net patient service revenue	-	-	-	-	-	-	-	-	-	-	-
NYS Intergovernmental transfer	-	-	-	-	-	-	-	-	-	-	-
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-
Historical Mission Payments	-	-	-	-	-	-	-	-	-	-	-
Federal & State Aid	-	-	-	-	-	-	-	-	-	-	-
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-
Investment Income	1,241	1,665	1,034	560	605	45	45	45	45	785	864
Miscellaneous	7,429	7,803	8,945	9,468	6,264	784	784	784	784	9,400	9,400
Total operating revenue	8,670	9,468	9,979	10,028	6,869	829	829	829	829	10,185	10,264
Operating Expenses:											
Salaries	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-
Expenses	17,718	11,700	14,582	9,551	6,264	784	784	784	784	9,400	9,400
Utilities	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-
Interest & Amortization	-	-	-	-	-	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-
Total operating expenses	17,718	11,700	14,582	9,551	6,264	784	784	784	784	9,400	9,400
Gain (Loss) From Operations	(9,048)	(2,232)	(4,603)	477	605	45	45	45	45	785	864
Other Operating Items:											
Other Post Employment Benefits	-	-	-	-	-	-	-	-	-	-	-
Change in Derivative Instruments	-	-	-	-	-	-	-	-	-	-	-
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-
Third Party Retro Rate Adjustment	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	-	-	-	-	-	-	-	-	-	-	-
Total Other Operating Items	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	(9,048)	(2,232)	(4,603)	477	605	45	45	45	45	785	864

Nassau Health Care Corporation and Subsidiaries

Budgeted Revenue & Expenses

Nassau Health Care Corp, LTD.

For the twelve months ended 12/31/11

(In Thousands)

	2011 Budgeted												2011	Projected	Audited
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	12/31/2010	12/31/2009
Operating Revenues:															
Net patient service revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NYS Intergovernmental transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Historical Mission Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal & State Aid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	72	72	72	72	72	72	72	72	72	72	72	72	864	785	560
Miscellaneous	783	783	783	783	783	783	783	783	784	784	784	784	9,400	9,400	9,468
Total operating revenue	855	855	855	855	855	855	855	855	856	856	856	856	10,264	10,185	10,028
Operating Expenses:															
Salaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses	783	783	783	783	783	783	783	783	784	784	784	784	9,400	9,400	9,551
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating expenses	783	783	783	783	783	783	783	783	784	784	784	784	9,400	9,400	9,551
Gain (Loss) From Operations	72	72	72	72	72	72	72	72	72	72	72	72	864	785	477
Other Operating Items:															
Other Post Employment Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Derivative Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Retro Rate Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Operating Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income (loss)	72	72	72	72	72	72	72	72	72	72	72	72	864	785	477